

PREVAILED

Roll Call No. _____

FAILED

Ayes _____

WITHDRAWN

Noes _____

RULED OUT OF ORDER

HOUSE MOTION _____

MR. SPEAKER:

I move that House Bill 1001 be amended to read as follows:

1 Page 5, between lines 35 and 36, begin a new paragraph and insert:
 2 "SECTION 5. IC 4-9.1-1-8 IS AMENDED TO READ AS
 3 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 8. For the purpose
 4 of meeting casual deficits in the state revenue, the board may negotiate
 5 such loans as may be necessary to meet the demands of the state. The
 6 loan may not be made for a longer period than four (4) years after the
 7 end of the fiscal year in which the loan is made. To evidence the loan,
 8 the board may execute certificates of indebtedness or promissory notes,
 9 which certificates or notes must recite that they are issued to meet
 10 casual deficits in the state revenue.

11 ~~If there are not sufficient funds coming into the general fund of the~~
 12 ~~state to pay the certificates or notes when due, the board may,~~
 13 ~~notwithstanding IC 6-1.1-18-2, levy a tax on all the taxable property of~~
 14 ~~the state, sufficient to pay the amount of the indebtedness."~~

15 Page 6, between lines 30 and 31, begin a new paragraph and insert:
 16 "SECTION 7. IC 4-12-1-12, AS AMENDED BY P.L.2-2006,
 17 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 18 JULY 1, 2008]: Sec. 12. (a) Within forty-five (45) days following the
 19 adjournment of the regular session of the general assembly, the budget
 20 agency shall examine the acts of such general assembly and, with the
 21 aid of its own records and those of the budget committee, shall prepare
 22 a complete list of all appropriations made by law for the budget period
 23 beginning on July 1 following such regular session, or so made for such
 24 other period as is provided in the appropriation. While such list is being

1 made by it the budget agency shall review and analyze the fiscal status
2 and affairs of the state as affected by such appropriations. A written
3 report thereof shall be made and signed by the budget director and shall
4 be transmitted to the governor and the auditor of state. The report shall
5 be transmitted in an electronic format under IC 5-14-6 to the general
6 assembly.

7 (b) **A tuition reserve account is established in the state general**
8 **fund for purposes of this subsection and subsection (g).** Not later
9 than the first day of June of each calendar year, the budget agency shall
10 prepare a list of all appropriations made by law for expenditure or
11 encumbrance during the fiscal year beginning on the first day of July
12 of that calendar year. At the same time, the budget agency shall
13 establish the amount of a reserve from the general fund surplus which
14 such agency estimates will be necessary and required to provide funds
15 with which to pay the distribution to local school units required by law
16 to be made so early in such fiscal year that revenues received in such
17 year prior to the distribution will not be sufficient to cover such
18 distribution. Not later than the first day of June following adjournment
19 of such regular session of the general assembly the amounts of the
20 appropriations for such fiscal year, and the amount of such reserve,
21 shall be written and transmitted formally to the auditor of state who
22 then shall establish the amounts of such appropriations, and the amount
23 of such reserve, in the records of the auditor's office as fixed in such
24 communication of the budget agency.

25 (c) Within sixty (60) days following the adjournment of any special
26 session of the general assembly, or within such shorter period as the
27 circumstances may require, the budget agency shall prepare for and
28 transmit to the governor and members of the general assembly and the
29 auditor of state, like information, list of sums appropriated, and if
30 required, an estimate for a reserve from the general fund surplus for
31 distribution to local school units, all as is done upon the adjournment
32 of a regular session, pursuant to subsections (a) and (b) of this section
33 to the extent the same are applicable. The budget agency shall transmit
34 any information under this subsection to the general assembly in an
35 electronic format under IC 5-14-6.

36 (d) The budget agency shall administer the allotment system
37 provided in IC 4-13-2-18.

38 (e) The budget agency may transfer, assign, and reassign any
39 appropriation or appropriations, or parts of them, excepting those
40 appropriations made to the Indiana state teacher's retirement fund
41 established by IC 5-10.4-2, made for one specific use or purpose to
42 another use or purpose of the agency of state to which the appropriation
43 is made, but only when the uses and purposes to which the funds
44 transferred, assigned and reassigned are uses and purposes the agency
45 of state is by law required or authorized to perform. No transfer may be
46 made as in this subsection authorized unless upon the request of and

with the consent of the agency of state whose appropriations are involved. Except to the extent otherwise specifically provided, every appropriation made and hereafter made and provided, for any specific use or purpose of an agency of the state is and shall be construed to be an appropriation to the agency, for all other necessary and lawful uses and purposes of the agency, subject to the aforesaid request and consent of the agency and concurrence of the budget agency.

(f) One (1) or more emergency or contingency appropriations for each fiscal year or for the budget period may be made to the budget agency. Such appropriations shall be in amounts definitely fixed by law, or ascertainable or determinable according to a formula, or according to appropriate provisions of law taking into account the revenues and income of the agency of state. No transfer shall be made from any such appropriation to the regular appropriation of an agency of the state except upon an order of the budget agency made pursuant to the authority vested in it hereby or otherwise vested in it by law.

(g) Beginning July 1, 2009, the budget agency shall maintain a balance in the state tuition reserve account for purposes of this subsection. The balance is in addition to the reserve established under subsection (b). The purpose of the balance is to provide an amount that will be available to common schools in a year in which state tax revenues are insufficient to fully fund the operation of common schools. Notwithstanding subsection (e) and IC 4-9.1-1-7, the balance may be transferred, distributed, or expended from the tuition reserve account only to the extent that the amount is appropriated by the general assembly. Any part of the balance that is unexpended at the end of a state fiscal year does not revert to the general use of the state general fund but remains available for the purposes of this subsection. Not later than June 30, 2009, the budget agency shall transfer fifty million dollars (\$50,000,000) from the counter-cyclical revenue and economic stabilization fund to the tuition reserve account for purposes of this subsection."

Page 10, line 33, strike "maximum levy" and insert "**property tax limit**".

Page 11, line 5, strike "maximum levy" and insert "**property tax limit**".

Page 40, line 41, strike "IC 6-1.1-21-4(b),".

Page 41, line 2, strike "first from the money".

Page 41, line 3, strike "payable to the county under IC 6-1.1-21-4(b) and then".

Page 41, line 3, strike "all other".

Page 41, line 4, strike "sources" and insert "**any source**".

Page 67, line 28, after "year" insert "**or, in the case of a mobile home that is assessed as personal property, the immediately following January 15,**".

Page 85, delete lines 23 through 42, begin a new paragraph and

1 insert:

2 "SECTION 101. IC 6-1.1-15-1, AS AMENDED BY P.L.1-2008,
3 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
4 JANUARY 1, 2009]: Sec. 1. (a) A taxpayer may obtain a review by the
5 county board of a county ~~or township~~ official's action with respect to
6 the assessment of the taxpayer's tangible property if the official's action
7 requires the giving of notice to the taxpayer. At the time that notice is
8 given to the taxpayer, the taxpayer shall also be informed in writing of:

9 (1) the opportunity for a review under this section, including a
10 meeting under subsection (h) with the county ~~or township~~ official
11 referred to in this subsection; and

12 (2) the procedures the taxpayer must follow in order to obtain a
13 review under this section.

14 (b) In order to obtain a review of an assessment effective for the
15 assessment date to which the notice referred to in subsection (a)
16 applies, the taxpayer must file a notice in writing with the county ~~or~~
17 ~~township~~ official referred to in subsection (a) not later than forty-five
18 (45) days after the date of the notice referred to in subsection (a).

19 (c) A taxpayer may obtain a review by the county board of the
20 assessment of the taxpayer's tangible property effective for an
21 assessment date for which a notice of assessment is not given as
22 described in subsection (a). To obtain the review, the taxpayer must file
23 a notice in writing with the ~~township~~ **county** assessor. ~~of the township~~
24 ~~in which the property is subject to assessment.~~ The right of a taxpayer
25 to obtain a review under this subsection for an assessment date for
26 which a notice of assessment is not given does not relieve an assessing
27 official of the duty to provide the taxpayer with the notice of
28 assessment as otherwise required by this article. For an assessment date
29 in a year before 2009, the notice must be filed on or before May 10 of
30 the year. For an assessment date in a year after 2008, the notice must
31 be filed not later than the later of:

32 (1) May 10 of the year; or

33 (2) forty-five (45) days after the date of the statement mailed by
34 the county auditor under IC 6-1.1-17-3(b).

35 (d) A change in an assessment made as a result of a notice for
36 review filed by a taxpayer under subsection (c) after the time
37 prescribed in subsection (c) becomes effective for the next assessment
38 date. A change in an assessment made as a result of a notice for review
39 filed by a taxpayer under subsection (b) or (c) remains in effect from
40 the assessment date for which the change is made until the next
41 assessment date for which the assessment is changed under this article.

42 (e) The written notice filed by a taxpayer under subsection (b) or (c)
43 must include the following information:

44 (1) The name of the taxpayer.

45 (2) The address and parcel or key number of the property.

46 (3) The address and telephone number of the taxpayer.

1 (f) A county ~~or township~~ official who receives a notice for review
 2 filed by a taxpayer under subsection (b) or (c) shall immediately
 3 forward the notice to the county board.

4 (g) The county board shall hold a hearing on a review under this
 5 subsection not later than one hundred eighty (180) days after the date
 6 of the notice for review filed by the taxpayer under subsection (b) or
 7 (c). The county board shall, by mail, give notice of the date, time, and
 8 place fixed for the hearing to the taxpayer and the county ~~or township~~
 9 official with whom the taxpayer filed the notice for review. The
 10 taxpayer and the county ~~or township~~ official with whom the taxpayer
 11 filed the notice for review are parties to the proceeding before the
 12 county board.

13 (h) Before the county board holds the hearing required under
 14 subsection (g), the taxpayer may request a meeting by filing a written
 15 request with the county ~~or township~~ official with whom the taxpayer
 16 filed the notice for review to:

- 17 (1) attempt to resolve as many issues under review as possible;
- 18 and
- 19 (2) seek a joint recommendation for settlement of some or all of
- 20 the issues under review.

21 A county ~~or township~~ official who receives a meeting request under
 22 this subsection before the county board hearing shall meet with the
 23 taxpayer. The taxpayer and the county ~~or township~~ official shall present
 24 a joint recommendation reached under this subsection to the county
 25 board at the hearing required under subsection (g). The county board
 26 may adopt or reject the recommendation in whole or in part.

27 (i) At the hearing required under subsection (g):

- 28 (1) the taxpayer may present the taxpayer's reasons for
- 29 disagreement with the assessment; and
- 30 (2) the county ~~or township~~ official with whom the taxpayer filed
- 31 the notice for review must present:
 - 32 (A) the basis for the assessment decision; and
 - 33 (B) the reasons the taxpayer's contentions should be denied.

34 (j) The county board may not require a taxpayer to file documentary
 35 evidence or summaries of statements of testimonial evidence before the
 36 hearing required under subsection (g). If the action for which a
 37 taxpayer seeks review under this section is the assessment of tangible
 38 property, the taxpayer is not required to have an appraisal of the
 39 property in order to do the following:

- 40 (1) Initiate the review.
- 41 (2) Prosecute the review.

42 (k) Regardless of whether the county board adopts a
 43 recommendation under subsection (h), the county board shall prepare
 44 a written decision resolving all of the issues under review. The county
 45 board shall, by mail, give notice of its determination not later than one
 46 hundred twenty (120) days after the hearing under subsection (g) to the

taxpayer **and** the county assessor. ~~and the township assessor.~~

(l) If the maximum time elapses:

(1) under subsection (g) for the county board to hold a hearing; or

(2) under subsection (k) for the county board to give notice of its determination;

the taxpayer may initiate a proceeding for review before the Indiana board by taking the action required by section 3 of this chapter at any time after the maximum time elapses."

Delete page 86.

Page 87, delete lines 1 through 32.

Page 92, between lines 34 and 35, begin a new paragraph and insert:
"SECTION 110. IC 6-1.1-16.5 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]:

Chapter 16.5. Tax and Budget Controls: Purpose and Definitions

Sec. 1. The purpose of IC 6-1.1-17, IC 6-1.1-18, and IC 6-1.1-18.5 is to coordinate tax levies and spending in a county so that the total burden on taxpayers from taxes and fees does not rise in any budget year on average faster than the rate at which county personal income in the county is rising, unless the registered voters in the area affected by the taxes and fees agree to a more rapid increase.

Sec. 2. The definitions in this chapter apply throughout IC 6-1.1-17, IC 6-1.1-18, and IC 6-1.1-18.5.

Sec. 3. "Budget year" means a calendar year. However, for the purposes of IC 6-1.1-17-5.6, the term refers to a school year (as defined in IC 20-18-2-17).

Sec. 4. "County board" refers to a county's county board of tax and capital projects review.

Sec. 5. "County maximum permissible expenditure limit" refers to the maximum aggregate expenditures that political subdivisions in a county are permitted to make in a budget year from:

(1) taxes and fees subject to IC 6-1.1-18.5 that are imposed in the budget year; and

(2) cash balances derived from taxes and fees subject to IC 6-1.1-18.5 that are imposed in the budget year.

Sec. 6. "County maximum permissible property tax levy limit" refers to the lesser of the following:

(1) The county maximum permissible expenditure limit for a county.

(2) The maximum aggregate amount that may be levied by the political subdivisions in a county for a budget year from property taxes to which the property tax levy limits imposed by IC 6-1.1-18.5-3 apply.

Sec. 7. "County personal income" means the estimate of total personal income for a county as computed by the federal Bureau

1 of Economic Analysis.

2 Sec. 8. "County's tax limits" refers to the following:

3 (1) The county maximum permissible expenditure limit for a
4 county.

5 (2) The county maximum permissible property tax levy limit
6 for a county.

7 Sec. 9. "Cumulative fund levy" refers to a levy that is subject to
8 IC 6-1.1-18-12, IC 6-1.1-18-13, or IC 6-1.1-18.5-9.8.

9 Sec. 10. "Debt service obligations" refers to:

10 (1) the principal and interest payable from taxes during a
11 calendar year on bonds, loans, or other obligations; and

12 (2) lease rental payments payable from taxes during a
13 calendar year on leases;

14 of a political subdivision in a county.

15 Sec. 11. "Excise taxes imposed in lieu of property taxes" refers
16 to the following revenues distributed to political subdivisions:

17 (1) Financial institution excise tax revenue (IC 6-5.5).

18 (2) Motor vehicle excise taxes (IC 6-6-5).

19 (3) Commercial vehicle excise taxes (IC 6-6-5.5).

20 (4) Boat excise tax (IC 6-6-11).

21 (5) Aircraft excise tax (IC 6-6-6.5) and local income taxes.

22 Sec. 12. "Expenditure" refers to an expenditure by a political
23 subdivision that is payable from taxes or fees. The term does not
24 include the clerical functions related to:

25 (1) the distribution of taxes or fees received by a county
26 auditor or county treasurer for distribution to a political
27 subdivision in the county; or

28 (2) a loan or transfer by a political subdivision of money
29 between the funds or purposes of the same political
30 subdivision.

31 Sec. 13. "Expenditure limits" refers to the following:

32 (1) A county maximum permissible expenditure limit.

33 (2) A political subdivision's maximum permissible
34 expenditure limit.

35 Sec. 14. (a) "Fee" means a special assessment (other than a
36 special benefits tax), lease rentals, or other amounts charged by a
37 political subdivision and payable for:

38 (1) permission, consent, or approval to engage in an activity,
39 use property, or improve property;

40 (2) an improvement to property; or

41 (3) delivery of governmental services, including recreational
42 services.

43 (b) The term includes the following:

44 (1) License and permit fees.

45 (2) Payments under a development agreement (as defined in
46 IC 36-1-8-9.5).

47 (3) Impact fees (as defined in IC 36-7-4-1305).

(4) Service charges or user fees.

(c) The term does not include the following:

(1) A charge for any of the following utility services:

(A) Electrical energy.

(B) Natural gas, either mixed with another substance or pure, used for heat, light, cooling, or power.

(C) Water.

(D) Steam.

(E) Sewage (as defined in IC 13-11-2-200).

(2) Payment for or settlement of obligations or judgments established under IC 36-7-9-9 through IC 36-7-9-13 and IC 36-7-9-17 through IC 36-7-9-22 of the unsafe building law.

Sec. 15. "Growth quotient" refers to the growth quotient computed for a budget year under IC 6-1.1-18.5-2.

Sec. 16. "Local income taxes" refers to a tax on adjusted gross income imposed under IC 6-3.5.

Sec. 17. "Petition and remonstrance process" refers to a petition and remonstrance process under IC 6-1.1-20.

Sec. 18. "Political subdivision" has the meaning set forth in IC 36-1-2-13. The term includes a redevelopment district.

Sec. 19. "Political subdivisions in a county" refers to the political subdivisions in a county that have the authority to impose taxes or receive a distribution of taxes. The term:

(1) includes political subdivisions that are located in more than one (1) county and treated as located in the county under IC 6-1.1-18.5-1.8; and

(2) excludes political subdivisions that are located in more than one (1) county and treated as located in another county under IC 6-1.1-18.5-1.8.

Sec. 20. "Political subdivision's maximum permissible expenditure limit" refers to the expenditures budgeted by a political subdivision in a county for a budget year from taxes or fees, as approved, increased, or decreased:

(1) by the county board for the county; or

(2) in a referendum or a petition and remonstrance process.

Sec. 21. "Political subdivision's maximum permissible property tax levy limit" refers to the property tax levy adopted by a political subdivision in a county for a budget year, as approved, increased, or decreased:

(1) by the county board for the county; or

(2) in a referendum or petition and remonstrance process.

Sec. 22. "Political subdivision's tax limits" refers to the following:

(1) The political subdivision's maximum permissible expenditure limit.

(2) The political subdivision's maximum permissible property tax levy limit.

1 **Sec. 23. "Property taxes" means the following:**

- 2 (1) Ad valorem property taxes.
3 (2) Special benefit taxes.

4 **Sec. 24. "Property tax limit" refers to the following:**

- 5 (1) A county maximum permissible property tax levy limit.
6 (2) A political subdivision's maximum permissible property
7 tax levy limit.

8 **Sec. 25. "Referendum" refers to a referendum under**
9 **IC 6-1.1-17-22, IC 6-1.1-20, or IC 6-3.5-9.**

10 **Sec. 26. "Redevelopment district" refers to the following:**

- 11 (1) A district (as defined in IC 6-1.1-21.2).
12 (2) Another public entity to which tax increment revenues are
13 allocated.

14 **Sec. 27. "Special benefit taxes" means a special tax levied and**
15 **collected on an ad valorem basis on property in an area for the**
16 **purpose of financing local public improvements that:**

- 17 (1) are of special benefit to the residents and property of the
18 area; and
19 (2) are not political or governmental in nature.

20 **Sec. 28. "Tax increment revenues" means an allocation to a**
21 **redevelopment district of:**

- 22 (1) property taxes;
23 (2) state or local adjusted gross income taxes; or
24 (3) state gross retail and use taxes;

25 **that are not imposed by a redevelopment district, are based on an**
26 **increase in the assessed value, wages, sales, or other economic**
27 **activity occurring in a designated area, and are deposited in a**
28 **special fund for use by the district to provide a special benefit to**
29 **the property owners in the redevelopment district. The term**
30 **includes revenues described in IC 5-28-26-9, IC 6-1.1-21.2-10,**
31 **IC 12-19-1.5-7, IC 36-7-26-10, IC 36-7-27-8, IC 36-7-31-6, and**
32 **IC 36-7-31.3-4.**

33 **Sec. 29. "Taxes" means the following:**

- 34 (1) Property taxes.
35 (2) Local income taxes.
36 (3) County motor vehicle excise tax imposed under IC 6-3.5-4.
37 (4) County wheel tax imposed under IC 6-3.5-5.
38 (5) Taxes imposed under IC 6-9, including innkeeper's taxes,
39 food and beverage taxes, and county admissions taxes.
40 (6) Supplemental auto rental excise tax imposed under
41 IC 6-6-9.5 or IC 6-6-9.7.
42 (7) Excise taxes imposed in lieu of property taxes.
43 (8) A distribution from any entity to replace revenue lost from
44 the granting of an exemption, deduction, or credit that
45 reduces the revenues that would otherwise be derived from a
46 tax described in subdivisions (1) through (7), including a
47 payment in lieu of taxes (PILOT) permitted by law.

Sec. 30. "Tax limit" refers to the following:

- (1) A county maximum permissible expenditure limit.**
- (2) A political subdivision's maximum permissible expenditure limit.**
- (3) A county maximum permissible property tax levy limit.**
- (4) A political subdivision's maximum permissible property tax levy limit.**

SECTION 111. IC 6-1.1-17-1, AS AMENDED BY P.L.154-2006, SECTION 42, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 1. (a) On or before August 1 of each year, the county auditor shall send a certified statement, under the seal of the board of county commissioners, to the fiscal officer of each political subdivision of the county and the department of local government finance. The statement shall contain:

- (1) information concerning the assessed valuation in the political subdivision for the next calendar year;
- (2) an estimate of the taxes to be distributed to the political subdivision during the last six (6) months of the current calendar year;
- (3) the current assessed valuation as shown on the abstract of charges;
- (4) the average growth in assessed valuation in the political subdivision over the preceding three (3) budget years, excluding years in which a general reassessment occurs, determined according to procedures established by the department of local government finance;
- (5) the amount of the political subdivision's assessed valuation reduction determined under section 0.5(d) of this chapter; and
- (6) any other information at the disposal of the county auditor that might affect the assessed value used in the budget adoption process.

(b) The estimate of taxes to be distributed shall be based on:

- (1) the abstract of taxes levied and collectible for the current calendar year, less any taxes previously distributed for the calendar year; and
- (2) any other information at the disposal of the county auditor which might affect the estimate.

(c) The fiscal officer of each political subdivision shall present the county auditor's statement to the proper officers of the political subdivision.

(d) Subject to subsection (e), ~~and except as provided in subsection (f);~~ after the county auditor sends a certified statement under subsection (a) or an amended certified statement under this subsection with respect to a political subdivision and before the ~~department of local government finance~~ **county board** takes final action with respect to the political subdivision under section ~~16(f)~~ **6** of this chapter,

1 the county auditor may amend the information concerning assessed
 2 valuation included in the earlier certified statement. The county auditor
 3 shall send a certified statement amended under this subsection, under
 4 the seal of the board of county commissioners, to:

5 (1) the fiscal officer of each political subdivision affected by the
 6 amendment; and

7 (2) the ~~department of local government finance~~. **county board.**

8 (e) Except as provided in subsection ~~(g)~~, **(f)**, before the county
 9 auditor makes an amendment under subsection (d), the county auditor
 10 must provide an opportunity for public comment on the proposed
 11 amendment at a public hearing. The county auditor must give notice of
 12 the hearing under IC 5-3-1. If the county auditor makes the amendment
 13 as a result of information provided to the county auditor by an assessor,
 14 the county auditor shall give notice of the public hearing to the
 15 assessor.

16 ~~(f) Subsection (d) does not apply to an adjustment of assessed~~
 17 ~~valuation under IC 36-7-15.1-26.9(d).~~

18 ~~(g)~~ **(f)** The county auditor is not required to hold a public hearing
 19 under subsection (e) if:

20 (1) the amendment under subsection (d) is proposed to correct a
 21 mathematical error made in the determination of the amount of
 22 assessed valuation included in the earlier certified statement;

23 (2) the amendment under subsection (d) is proposed to add to the
 24 amount of assessed valuation included in the earlier certified
 25 statement assessed valuation of omitted property discovered after
 26 the county auditor sent the earlier certified statement; or

27 (3) the county auditor determines that the amendment under
 28 subsection (d) will not result in an increase in the tax rate or tax
 29 rates of the political subdivision.

30 SECTION 112. IC 6-1.1-17-2, AS AMENDED BY P.L.1-2006,
 31 SECTION 135, IS AMENDED TO READ AS FOLLOWS
 32 [EFFECTIVE JANUARY 1, 2009]: Sec. 2. ~~(a)~~ When formulating an
 33 annual budget estimate, the proper officers of a political subdivision
 34 shall prepare an estimate of the amount of revenue which the political
 35 subdivision will receive from the state for and during the budget year
 36 for which the budget is being formulated. These estimated revenues
 37 shall be shown in the budget estimate. ~~and~~ **The estimated revenues**
 38 **subject to the limitations in IC 6-1.1-18.5** shall be taken into
 39 consideration in calculating the tax levy which is to be made for the
 40 ensuing calendar year. ~~However, this section does not apply to funds~~
 41 ~~to be received from the state or the federal government for:~~

42 ~~(1) township assistance;~~

43 ~~(2) unemployment relief;~~

44 ~~(3) old age pensions; or~~

45 ~~(4) other funds which may at any time be made available under~~
 46 ~~"The Economic Security Act" or under any other federal act~~

which provides for civil and public works projects.

(b) When formulating an annual budget estimate, the proper officers of a political subdivision shall prepare an estimate of the amount of revenue that the political subdivision will receive under a development agreement (as defined in IC 36-1-8-9.5) for and during the budget year for which the budget is being formulated. Revenue received under a development agreement may not be used to reduce the political subdivision's maximum levy under IC 6-1.1-18.5 but may be used at the discretion of the political subdivision to reduce the property tax levy of the political subdivision for a particular year."

Page 95, between lines 14 and 15, begin a new paragraph and insert:

"SECTION 114. IC 6-1.1-17-5.6, AS AMENDED BY P.L.219-2007, SECTION 51, AND AS AMENDED BY P.L.224-2007, SECTION 7, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 5.6. (a) This section applies only to a school corporation that is located in a city having a population of more than one hundred five thousand (105,000) but less than one hundred twenty thousand (120,000).

(b) Before February 1 of each year, the officers of the school corporation shall meet to fix the budget for the school corporation for the ensuing budget year, with notice given by the same officers. However, if a resolution adopted under subsection (d) is in effect, the officers shall meet to fix the budget for the ensuing budget year before September ~~20~~ 30.

(c) Each year, at least two (2) days before the first meeting *after September 20* of the county board of tax adjustment *(before January 1, 2009)* or the county board of tax and capital projects review *(after December 31, 2008)* held under IC 6-1.1-29-4, the school corporation shall file with the county auditor:

(1) a statement of the tax rate and tax levy fixed by the school corporation for the ensuing budget year; **and**

(2) two (2) copies of the budget adopted by the school corporation for the ensuing budget year. **and**

(3) any written notification from the department of local government finance under section 16(i) of this chapter that specifies a proposed revision, reduction, or increase in the budget adopted by the school corporation for the ensuing budget year.

Each year the county auditor shall present these items to the county board of tax adjustment *(before January 1, 2009)* or the county board of tax and capital projects review *(after December 31, 2008)* at the board's first meeting *after September 20 of that year*.

(d) The governing body of the school corporation may adopt a resolution to cease using a school year budget year and return to using a calendar year budget year. A resolution adopted under this subsection must be adopted after January 1 and before July 1. The school corporation's initial calendar year budget year following the adoption

of a resolution under this subsection begins on January 1 of the year following the year the resolution is adopted. The first six (6) months of the initial calendar year budget for the school corporation must be consistent with the last six (6) months of the final school year budget **fixed approved** by the ~~department of local government finance~~ **county board** before the adoption of a resolution under this subsection.

(e) A resolution adopted under subsection (d) may be rescinded by a subsequent resolution adopted by the governing body. If the governing body of the school corporation rescinds a resolution adopted under subsection (d) and returns to a school year budget year, the school corporation's initial school year budget year begins on July 1 following the adoption of the rescinding resolution and ends on June 30 of the following year. The first six (6) months of the initial school year budget for the school corporation must be consistent with the last six (6) months of the last calendar year budget **fixed approved** by the ~~department of local government finance~~ **county board** before the adoption of a rescinding resolution under this subsection."

Page 95, delete lines 28 through 30, begin a new line block indented and insert:

"(3) to ensure compliance with IC 6-1.1-18.5."

Page 96, line 30, strike "maximum".

Page 96, line 31, strike "aggregate".

Page 96, line 31, strike "rate permitted within" and insert **"limits applicable to the county or"**.

Page 96, line 31, strike "under".

Page 96, line 32, strike "IC 6-1.1-18 is" and insert **"are"**.

Page 96, line 32, after "shall" delete ",".

Page 96, line 32, strike "subject to the".

Page 96, line 33, strike "limitations prescribed in IC 20-45-4,".

Page 97, line 9, after "chapter." insert **"If a county board's determination under this section would require the county tax limits to be increased, the county board shall adopt a resolution requesting that a referendum be held under section 22 of this chapter to increase the appropriate tax limits to implement the determination."**

Page 97, between lines 36 and 37, begin a new paragraph and insert:

"SECTION 120. IC 6-1.1-17-16.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 16.5. This section applies in each case in which the ~~department of local government finance~~ **county board** has the power to approve or disapprove the tax levy for a cumulative building or sinking fund proposed to be established by a political subdivision. The ~~department~~ **county board** may:

(1) approve the tax levy;

(2) disapprove the tax levy; or

(3) modify the tax levy by approving it at any amount less than the

1 tax levy proposed to be established.

2 **The determination of the county board may be subject to**
 3 **referendum under section 22 of this chapter."**

4 Page 98, delete lines 29 through 42.

5 Page 99, line 3, after "when" insert **"the legislative body of a**
 6 **political subdivision or the county board adopts a resolution**
 7 **requesting a referendum to:**

8 **(1) override a determination of the county board concerning**
 9 **budgets, tax rates, or tax levies; or**

10 **(2) increase a tax limit;**

11 **or both.**

12 **(b) A political subdivision or county board requesting a**
 13 **referendum under this section shall notify the county auditor of the**
 14 **need for a referendum. If a political subdivision is requesting the**
 15 **referendum, the county auditor shall notify the members of the**
 16 **county board of the request. The notice must contain at least the**
 17 **following information:**

18 **(1) The information required under IC 3-10-9-6.**

19 **(2) A description of the area in which the referendum is to be**
 20 **conducted.**

21 **(3) The text of the public question to be submitted to the**
 22 **voters.**

23 **(4) If a political subdivision is requesting a referendum at a**
 24 **special election, that the political subdivision agrees to pay the**
 25 **costs of the special election.**

26 **(c) If a political subdivision requests that voters to override an**
 27 **action of the county board, the public question shall be**
 28 **substantially in the following form:**

29 **"In order to keep the county within the tax and spending**
 30 **limits provided by state law, the county board of tax and**
 31 **capital projects review has [reduced] [denied] (insert**
 32 **appropriate action) the [budget] [tax rate] [tax levy] of**
 33 **_____ (insert the name of the political subdivision).**
 34 **The estimated [property tax rate] [income tax rate] (insert**
 35 **name of affected taxes) impact is _____. Should the**
 36 **action of the county board be approved?"**

37 **(d) The county board shall review the proposed text of a public**
 38 **question prepared by a political subdivision and correct any**
 39 **errors. The county board shall submit the text of a corrected public**
 40 **question to the county auditor within ten (10) days after receiving**
 41 **notice given under subsection (b).**

42 **(e) If a county board requests that the voters approve an action**
 43 **that would require an increase in the county tax limits, the public**
 44 **question must be substantially in the following form:**

45 **"The county board of tax and capital projects review is**
 46 **recommending that the [budget] [tax rate] [tax levy] of**
 47 **_____ (insert the name of the political subdivision)**

1 be increased in excess of the tax and spending limits provided
 2 by state law. The estimated [property tax rate] [income tax
 3 rate] (insert name of affected taxes) impact is _____.
 4 Should the action of the county board be approved?".

5 (f) Within seven (7) days after receipt of notice from a political
 6 subdivision or county board under subsection (b), the county
 7 auditor shall publish notice of the proposed referendum two (2)
 8 times, at least one (1) week apart, in accordance with IC 5-3-1.

9 (g) The county auditor shall certify the public question under
 10 IC 3-10-9-3 to the county election board of the county where the
 11 voters will consider the public question within five (5) days after
 12 receipt of the notice from the county auditor.

13 (h) The public question shall be presented to the registered
 14 voters in a political subdivision that requested the referendum or,
 15 if the county board initiated the referendum to approve an increase
 16 in the county tax limits, the political subdivision whose budget, tax
 17 rate, or tax levy will be increased by the action of the county board.

18 (i) The referendum shall be held at the next general or
 19 municipal election in which an election would regularly be held in
 20 the entire area where voters will vote on the public question.
 21 However, the referendum shall be held in a special election at the
 22 time approved by the county election board if a political
 23 subdivision in its resolution requests a special election and agrees
 24 to pay the costs of the special election.

25 (j) IC 3 applies to a referendum under this section to the extent
 26 that IC 3 is not in conflict with this chapter. If a special election is
 27 held under this section, the political subdivisions for whom the
 28 special election is conducted shall pay the costs of the special
 29 election.

30 (k) The circuit court clerk shall certify the results of the public
 31 question to the following:

32 (1) The executive and fiscal body of each political subdivision
 33 for which the referendum was held.

34 (2) The county auditor of each county in which the political
 35 subdivision is located.

36 (l) If a majority of the voters voting on the public question vote
 37 in favor of the public question, the action of the county board is
 38 approved.

39 (m) If less than a majority of the voters voting on the public
 40 question vote in favor of the public question, the action of the
 41 county board is voided."

42 Page 99, delete lines 4 through 42.

43 Delete page 100.

44 Page 101, delete lines 1 through 14.

45 Page 102, between lines 40 and 41, begin a new paragraph and
 46 insert:

47 "SECTION 124. IC 6-1.1-18-6 IS AMENDED TO READ AS

FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 6. **(a) Subject to the requirements of this section, the proper officers of a political subdivision may transfer money from one (1) of the political subdivision's funds to another fund of the political subdivision after the adoption of an ordinance or resolution specifying the:**

- (1) amount of the transfer;**
- (2) funds involved;**
- (3) date of the transfer; and**
- (4) general purpose of the transfer.**

~~(a)~~ **(b) Subject to the requirements of this section,** the proper officers of a political subdivision may transfer money from one major budget classification to another within a department or office if:

- (1) they determine that the transfer is necessary;
- (2) the transfer does not require the expenditure of more money than the total amount set out in the budget as finally determined under this article; and
- (3) the transfer is made at a regular public meeting and by proper ordinance or resolution.

(c) A political subdivision shall publish a notice of a transfer made under this section one (1) time in conformity with IC 5-3-1.

(d) An amount transferred under this section is available for use after an appropriation of the funds in conformity with section 5 of this chapter.

~~(b)~~ **(e) A transfer may be made under this section without notice and without the approval of the department of local government finance; county board of tax and capital projects review.**

(f) A transfer of money under this section may not be made if the transfer:

- (1) would violate an agreement governing the payment of bonds, loans, obligations, or leases; or**
- (2) would result in insufficient money being available to make the required payments on bonds, loans, obligations, or leases.**

(g) A transfer of money under this section does not increase the tax limits of a county or a political subdivision in a county.

SECTION 125. IC 6-1.1-18-7.5, AS ADDED BY P.L.15-2005, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 7.5. ~~Notwithstanding any other law,~~ The appropriating body of a political subdivision may appropriate any funds received as a grant from the state or the federal government without using the additional appropriation procedures under section 5 of this chapter, if the funds are provided or designated by the state or the federal government as a reimbursement of an expenditure made by the political subdivision.

SECTION 126. IC 6-1.1-18-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 8. (a) Except as provided in ~~subsections (b) and (c) of this section;~~ **chapter,** a political

subdivision may not expend any funds which it has received from the state ~~and which it is required to include in its budget estimate under IC 1971, 6-1.1-17-2~~ unless:

- (1) the funds have been included in a budget estimate by the political subdivision; and
- (2) the funds have been appropriated by the proper officers of the political subdivision in the amounts and for the specific purposes for which they may be used.

(b) The county council shall appropriate funds for the operation of the county highway department for the entire ensuing budget year for which annual appropriations are being made. The appropriation shall be for an amount which is not less than the greater of:

- (1) seventy-five percent (75%) of the total estimated to be in the highway fund in the ensuing budget year; or
- (2) ninety-nine percent (99%) of the total estimated to be in the highway fund in the ensuing budget year if the county commissioners file with the county council a four (4) year plan for the construction and improvement of county highways and a one (1) year plan for the maintenance and repair of the county highways.

(c) In the event of a casualty, accident, or extraordinary emergency, the proper officers of a political subdivision may use state funds to make an additional appropriation under section 5 of this chapter.

(d) A political subdivision may expend:

- (1) funds received from the state or the federal government for township assistance, unemployment relief, or old age pensions; or**
- (2) other funds that may at any time be made available under the federal Economic Security Act or under any other federal act that provides for civil and public works projects;**

without complying with section 2 or 5 of this chapter."

Page 103, line 1, strike "As used in" and insert "(a) The definitions in this section apply throughout".

Page 103, line 1, delete ":" and insert ".".

Page 103, strike line 2.

Page 103, line 3, strike "the total property taxes imposed by a".

Page 103, line 3, strike "taxing unit for current".

Page 103, strike lines 4 through 8.

Page 103, line 9, before ""Maximum" insert "(b)".

Page 103, line 10, strike "the greater of:".

Page 103, strike line 11.

Page 103, line 12, strike "(A) the".

Page 103, line 12, strike "taxing unit's maximum permissible ad valorem".

Page 103, strike lines 13 through 16.

Page 103, line 17, strike "(i) the".

- 1 Page 103, line 17, strike "taxing unit's maximum permissible ad
- 2 valorem".
- 3 Page 103, strike line 18.
- 4 Page 103, line 19, strike "(ii) the".
- 5 Page 103, line 19, strike "taxing unit's ad valorem property tax levy
- 6 for".
- 7 Page 103, strike lines 20 through 21.
- 8 Page 103, line 22, strike "(2)".
- 9 Page 103, line 23, before "year immediately" strike "calendar".
- 10 Page 103, line 23, strike "ensuing calendar" and insert "**budget**".
- 11 Page 103, line 28, strike "calendar".
- 12 Page 103, line 28, delete ":"
- 13 Page 103, line 29, delete "(A)".
- 14 Page 103, run in lines 28 through 29.
- 15 Page 103, line 30, delete "; and".
- 16 Page 103, delete lines 31 through 32.
- 17 Page 103, run in lines 30 through 33.
- 18 Page 103, line 33, strike "calendar".
- 19 Page 103, line 34, strike "calendar".
- 20 Page 103, line 37, before ""Taxable" insert "(c)".
- 21 Page 103, line 39, strike "For purposes of sections 2 and 3 of this".
- 22 Page 103, strike lines 40 through 41.
- 23 Page 103, line 42, strike ""Unadjusted assessed value" means the
- 24 assessed value of a".
- 25 Page 104, strike lines 1 through 5.
- 26 Page 104, delete lines 6 through 42, begin a new paragraph and
- 27 insert:
- 28 "SECTION 128. IC 6-1.1-18.5-1.8 IS ADDED TO THE INDIANA
- 29 CODE AS A NEW SECTION TO READ AS FOLLOWS
- 30 [EFFECTIVE JANUARY 1, 2009]: **Sec. 1.8. For purposes of**
- 31 **computing and applying a tax limit to a particular county and the**
- 32 **political subdivisions in the county, the political subdivisions in the**
- 33 **county:**
- 34 (1) **include each political subdivision that is wholly located**
- 35 **within the county;**
- 36 (2) **include each political subdivision for which the largest**
- 37 **part of the assessed value of the taxable property in the**
- 38 **political subdivision is located in the county, as determined**
- 39 **from the latest abstracts of property, assessments, taxes,**
- 40 **deductions, and exemptions filed with the auditor of state**
- 41 **under IC 6-1.1-22-5; and**
- 42 (3) **exclude any political subdivision for which the largest part**
- 43 **of the assessed value of the taxable property in the political**
- 44 **subdivision is located in another county, as determined from**
- 45 **the latest abstracts of property, assessments, taxes,**
- 46 **deductions, and exemptions filed with the auditor of state**

under IC 6-1.1-22-5.

SECTION 129. IC 6-1.1-18.5-2, AS AMENDED BY P.L.1-2008, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 2. (a) As used in this section, "~~Indiana nonfarm~~ **county** personal income" means the estimate of total ~~nonfarm~~ personal income for ~~Indiana~~ **a county** in a calendar year as computed by the federal Bureau of Economic Analysis. ~~using any actual data for the calendar year and any estimated data determined appropriate by the federal Bureau of Economic Analysis.~~

(b) Subject to subsection (c), for purposes of ~~determining a civil taxing unit's maximum permissible ad valorem property tax levy for an~~ ensuing calendar year, the ~~civil taxing unit shall use the assessed value~~ growth quotient **applicable to a county and to the political subdivisions in a county, as determined under section 1.8 of this chapter, is the amount** determined in ~~the last STEP THREE~~ of the following ~~STEPS:~~ **formula:**

STEP ONE: For each of the **most recent** six (6) calendar years **for which data is available** immediately preceding the year in which a budget is adopted under IC 6-1.1-17-5 for the ensuing calendar year, divide the ~~Indiana nonfarm county~~ personal income for the calendar year by the Indiana nonfarm personal income for the calendar year immediately preceding that calendar year, rounding to the nearest one-thousandth (0.001).

STEP TWO: Determine the sum of the STEP ONE results.

STEP THREE: Divide the STEP TWO result by six (6), rounding to the nearest one-thousandth (0.001).

~~STEP FOUR: Determine the lesser of the following:~~

(A) ~~The STEP THREE quotient.~~

(B) ~~One and six-hundredths (1.06).~~

(c) ~~This subsection applies only to civil taxing units in Lake County.~~ Notwithstanding any other provision, for property taxes first due and payable after December 31, 2007, the assessed value ~~The~~ growth quotient used to determine a civil taxing unit's maximum permissible ad valorem property tax levy under this chapter for a particular calendar year **for an ensuing year for Lake County and the political subdivisions in Lake County, as determined under section 1.8 of this chapter,** is one (1) unless a tax rate of one percent (1%) will be in effect under ~~IC 6-3.5-1.1-26~~ **IC 6-3.5-1.1-24** or ~~IC 6-3.5-6-32~~ **IC 6-3.5-6-30** in Lake County for that calendar year.

SECTION 130. IC 6-1.1-18.5-2.1 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 2.1. **The maximum permissible amount of expenditures that the political subdivisions in a county may, in the aggregate, budget and spend in the ensuing budget year from taxes and fees is the county maximum permissible expenditure limit for the county for the budget year.**

SECTION 131. IC 6-1.1-18.5-2.2 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: **Sec. 2.2. The maximum total amount of taxes and fees that the political subdivisions in a county (including political subdivisions acting as a county option income tax council) may, in the aggregate, impose for a budget year is equal to the result of the:**

(1) county maximum permissible expenditure limit for the county for the budget year; minus

(2) the sum of the following:

(A) Cash balances derived from taxes and fees that are budgeted for expenditure for the budget year.

(B) Distributions for the budget year from excise taxes imposed in lieu of property taxes.

SECTION 132. IC 6-1.1-18.5-2.3 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: **Sec. 2.3. Except as otherwise permitted by this chapter, the county maximum permissible expenditure limit for a county is equal to the product of the county maximum permissible expenditure limit for the county for the immediately preceding budget year multiplied by the county's growth quotient for the ensuing budget year.**

SECTION 133. IC 6-1.1-18.5-2.4 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: **Sec. 2.4. For purposes of calculating a county's county maximum permissible expenditure limit for the 2010 budget year, the county board shall treat the sum of the budgets of the political subdivisions in the county payable from taxes and fees in 2009 as the county's county maximum permissible expenditure limit for the immediately preceding budget year."**

Delete page 105.

Page 106, delete lines 1 through 18.

Page 106, line 21, reset in roman "(a)".

Page 106, line 21, after "(a)" insert **"The maximum total amount of property taxes that the political subdivisions in a county may, in the aggregate, levy for a budget year is equal to the county maximum permissible property tax levy limit for the county for the budget year.**

(b)".

Page 106, line 22, after "chapter" insert ",".

Page 106, line 22, strike "and IC 6-3.5-8-12, a".

Page 106, line 22, strike "taxing unit".

Page 106, line 23, strike "may not".

Page 106, strike line 24.

Page 106, line 25, strike "that exceeds".

Page 106, line 25, delete "the maximum permissible ad valorem property tax" and insert **"the county maximum permissible property tax levy limit for a county for a budget year is equal to the county maximum permissible property tax levy limit for the county"**.

Page 106, line 26, delete "levy determined for the taxing unit".

Page 106, line 27, delete "calendar".

Page 106, line 27, delete "ensuing" and insert **"budget"**.

Page 106, line 28, delete "calendar".

Page 111, delete lines 20 through 42, begin a new paragraph and insert:

"SECTION 134. IC 6-1.1-18.5-3.2 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: **Sec. 3.2. For purposes of calculating a county's county maximum permissible property tax levy limit for the 2010 budget year, the county board shall treat the sum of the maximum permissible ad valorem property tax levy for the preceding calendar year for each of the political subdivisions in the county as the county's county maximum permissible property tax levy limit for the immediately preceding budget year.**

SECTION 135. IC 6-1.1-18.5-3.3 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: **Sec. 3.3. The maximum amount of expenditures that a political subdivision may budget and spend in a budget year from taxes and fees is the political subdivision's maximum permissible expenditure limit.**

SECTION 136. IC 6-1.1-18.5-3.4 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: **Sec. 3.4. (a) A political subdivision's maximum permissible expenditure limit for a budget year is the amount budgeted by the political subdivision for the budget year from taxes and fees, as approved, increased, or decreased:**

(1) by the county board for the county; or

(2) in a referendum or petition and remonstrance process.

(b) The total amount of taxes and fees that a political subdivision (including political subdivisions acting as a county option income tax council) may impose for a budget year is equal to the result of:

(1) the political subdivision's maximum permissible expenditure limit for the budget year; minus

(2) the sum of the following:

(A) Cash balances derived from taxes and fees that are budgeted for expenditure for the budget year.

(B) Distributions for the budget year from excise taxes imposed in lieu of property taxes.

(C) Taxes and fees imposed for the budget year by another

1 political subdivision or entity for collection and
 2 distribution to the political subdivision, regardless of when
 3 the taxes or fees will be distributed to the political
 4 subdivision.

5 SECTION 137. IC 6-1.1-18.5-3.5 IS ADDED TO THE INDIANA
 6 CODE AS A NEW SECTION TO READ AS FOLLOWS
 7 [EFFECTIVE JANUARY 1, 2009]: **Sec. 3.5. The total amount of**
 8 **taxes and fees that a political subdivision may impose for a**
 9 **particular fund or purpose may not exceed the limitations imposed**
 10 **by law for the fund or purpose. However, a political subdivision**
 11 **may transfer money between funds and purposes as provided in**
 12 **IC 6-1.1-18.**

13 SECTION 138. IC 6-1.1-18.5-3.6 IS ADDED TO THE INDIANA
 14 CODE AS A NEW SECTION TO READ AS FOLLOWS
 15 [EFFECTIVE JANUARY 1, 2009]: **Sec. 3.6. (a) A political**
 16 **subdivision's maximum permissible property tax levy limit for a**
 17 **budget year is the amount levied by the political subdivision for the**
 18 **budget year from property taxes, as approved, increased, or**
 19 **decreased:**

20 (1) by the county board for the county; or

21 (2) in a referendum or petition and remonstrance process.

22 **(b) The maximum levy of taxes imposed by a political**
 23 **subdivision for a budget year in the form of property taxes may not**
 24 **exceed the political subdivision's maximum permissible property**
 25 **tax levy limit for the budget year.**

26 SECTION 139. IC 6-1.1-18.5-3.7 IS ADDED TO THE INDIANA
 27 CODE AS A NEW SECTION TO READ AS FOLLOWS
 28 [EFFECTIVE JANUARY 1, 2009]: **Sec. 3.7. A county board may**
 29 **approve, increase, or decrease a budget, tax rate, or tax levy**
 30 **adopted by a political subdivision and make a change in the**
 31 **political subdivision's tax limits that reflects the action of the**
 32 **county board without further proceedings if:**

33 (1) the action will not result in the county tax limits for the
 34 county being exceeded in a budget year; and

35 (2) the legislative body of the political subdivision does not
 36 adopt a resolution requesting that a referendum be held under
 37 **IC 6-1.1-17-22 to override the action of the county board.**

38 SECTION 140. IC 6-1.1-18.5-3.8 IS ADDED TO THE INDIANA
 39 CODE AS A NEW SECTION TO READ AS FOLLOWS
 40 [EFFECTIVE JANUARY 1, 2009]: **Sec. 3.8. A county board may not**
 41 **approve or increase a budget, tax rate, or tax levy adopted by a**
 42 **political subdivision or make a change in the political subdivision's**
 43 **tax limits that reflect the action of the county board if the action**
 44 **will result in the county tax limits for the county being exceeded in**
 45 **a budget year. The action may be taken only if the action is**
 46 **approved in a referendum held under IC 6-1.1-17-22.**

47 SECTION 141. IC 6-1.1-18.5-4.6 IS ADDED TO THE INDIANA

CODE AS A NEW SECTION TO READ AS FOLLOWS
 [EFFECTIVE JANUARY 1, 2009]: **Sec. 4.6. Subject to sections 4.7 and 17 of this chapter, an action of a political subdivision or agent of a political subdivision is void to the extent that it purports to:**

- (1) authorize an expenditure from taxes or fees that exceeds the tax expenditure limitations imposed by this chapter; or**
- (2) impose taxes that exceed the property tax limits or other tax limits imposed by this chapter.**

SECTION 142. IC 6-1.1-18.5-4.7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: **Sec. 4.7. Political subdivisions must fully fund the payment of their debt service obligations in an amount sufficient to pay any debt service or lease rentals on outstanding obligations, regardless of any reduction in tax collections or spending authority due to the application of any law. Any reduction in collections or spending authority must be applied to the other funds of the political subdivision after debt service or lease rentals have been fully funded.**

SECTION 143. IC 6-1.1-18.5-8, AS AMENDED BY P.L.224-2007, SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: **Sec. 8. (a) The ~~ad valorem~~ property tax levy tax limits imposed by section 3 of this chapter do not apply to ~~ad valorem~~ property taxes imposed by a civil taxing unit if the civil taxing unit is committed to levy the taxes to pay or fund either: debt service obligations for bonds or leases for a capital project that has been approved in a:**

- (1) ~~bonded indebtedness~~; referendum under IC 6-1.1-20 or IC 6-3.5-9; or**
- (2) lease rentals under a lease with an original term of at least five (5) years.**

(2) a petition and remonstrance process under IC 6-1.1-20; including bonds issued to refund previously issued bonds described in subdivision (1) or (2).

(b) For purposes of computing the tax limits imposed under this chapter, a political subdivision's:

- (1) expenditures do not include expenditures for debt service obligations described in subsection (a); and**
- (2) taxes and fees do not include revenue raised to pay debt service obligations described in subsection (a).**

(c) Authorization granted under this section continues in each budget year in which payments on the debt service obligation must be made. The authorization also applies to refunding obligations that are issued to retire a debt service obligation described in this section if the refunding obligation does not extend the term in which payments on the original debt service obligation were to be made.

(b) This subsection does not apply to bonded indebtedness incurred

or leases executed for a capital project approved by a county board of tax and capital projects review under IC 6-1.1-29.5 after December 31, 2008. A civil taxing unit must file a petition requesting approval from the department of local government finance to incur bonded indebtedness or execute a lease with an original term of at least five (5) years not later than twenty-four (24) months after the first date of publication of notice of a preliminary determination under IC 6-1.1-20-3.1(2); unless the civil taxing unit demonstrates that a longer period is reasonable in light of the civil taxing unit's facts and circumstances. A civil taxing unit must obtain approval from the department of local government finance before the civil taxing unit may:

- (1) incur the bonded indebtedness; or
- (2) enter into the lease.

Before January 1, 2009, the department of local government finance may seek recommendations from the local government tax control board established by section 11 of this chapter when determining whether to authorize incurring the bonded indebtedness or the execution of the lease.

(c) The department of local government finance shall render a decision within three (3) months after the date it receives a request for approval under subsection (b). However, the department of local government finance may extend this three (3) month period by an additional three (3) months if, at least ten (10) days before the end of the original three (3) month period, the department sends notice of the extension to the executive officer of the civil taxing unit. A civil taxing unit may petition for judicial review of the final determination of the department of local government finance under this section. The petition must be filed in the tax court not more than forty-five (45) days after the department enters its order under this section.

(d) A civil taxing unit does not need approval under subsection (b) to obtain temporary loans made in anticipation of and to be paid from current revenues of the civil taxing unit actually levied and in the course of collection for the fiscal year in which the loans are made.

(e) For purposes of computing the ad valorem property tax levy limits imposed on a civil taxing unit by section 3 of this chapter, the civil taxing unit's ad valorem property tax levy for a calendar year does not include that part of its levy that is committed to fund or pay bond indebtedness or lease rentals with an original term of five (5) years in subsection (a).

(f) A taxpayer may petition for judicial review of the final determination of the department of local government finance under this section. The petition must be filed in the tax court not more than thirty (30) days after the department enters its order under this section.

SECTION 144. IC 6-1.1-18.5-9.8, AS AMENDED BY P.L.219-2007, SECTION 55, IS AMENDED TO READ AS

FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 9.8. (a) For purposes of determining the property tax levy limit imposed on a city, town, or county under section 3 of this chapter, the city, town, or county's ad valorem property tax levy for a particular calendar year does not include an amount equal to the lesser of:

- (1) the amount of ad valorem property taxes that would be first due and payable to the city, town, or county during the ensuing calendar year if the taxing unit imposed the maximum permissible property tax rate per one hundred dollars (\$100) of assessed valuation that the civil taxing unit may impose for the particular calendar year under the authority of IC 36-9-14.5 (in the case of a county) or IC 36-9-15.5 (in the case of a city or town); or
- (2) the excess, if any, of:

(A)

Except as provided by subsection (b), the tax limits imposed by this chapter do not apply to cumulative fund levies. For purposes of computing the tax limits imposed under this chapter, a political subdivision's:

- (1) expenditures do not include expenditures from cumulative fund levies that are used for purposes of a cumulative fund; and**
- (2) taxes and fees do not include cumulative fund levies that are used for purposes of a cumulative fund.**

(b) Subsection (c) applies to the cumulative fund levies for the property taxes imposed by the city, town, or county under the authority of:

- IC 3-11-6-9;
- IC 8-16-3;
- IC 8-16-3.1;
- IC 8-22-3-25;
- IC 14-27-6-48;
- IC 14-33-9-3;
- IC 16-22-8-41;
- IC 16-22-5-2 through IC 16-22-5-15;
- IC 16-23-1-40;
- IC 36-8-14;
- IC 36-9-4-48;
- IC 36-9-14;
- IC 36-9-14.5;
- IC 36-9-15;
- IC 36-9-15.5;
- IC 36-9-16;
- IC 36-9-16.5;
- IC 36-9-17;
- IC 36-9-26;
- IC 36-9-27-100;

1 IC 36-10-3-21; or
 2 IC 36-10-4-36.
 3 that are first due and payable during the ensuing calendar year;
 4 over
 5 ~~(B)~~ the property taxes imposed by the city, town, or county
 6 under the authority of the citations listed in clause (A) that
 7 were first due and payable during calendar year 1984.
 8 ~~(b)~~ (c) The maximum property tax rate levied under the statutes
 9 listed in subsection ~~(a)~~ (b) must be adjusted each year to account for
 10 the change in assessed value of real property that results from:
 11 (1) an annual adjustment of the assessed value of real property
 12 under IC 6-1.1-4-4.5; or
 13 (2) a general reassessment of real property under IC 6-1.1-4-4.
 14 ~~(c)~~ (d) The new maximum rate under a statute listed in subsection
 15 ~~(a)~~ (b) is the tax rate determined under STEP SEVEN of the following
 16 formula:
 17 STEP ONE: Determine the maximum rate for the political
 18 subdivision levying a property tax under the statute for the year
 19 preceding the year in which the annual adjustment or general
 20 reassessment takes effect.
 21 STEP TWO: Determine the actual percentage increase (rounded
 22 to the nearest one-hundredth percent (0.01%)) in the assessed
 23 value (before the adjustment, if any, under IC 6-1.1-4-4.5) of the
 24 taxable property from the year preceding the year the annual
 25 adjustment or general reassessment takes effect to the year that
 26 the annual adjustment or general reassessment is effective.
 27 STEP THREE: Determine the three (3) calendar years that
 28 immediately precede the ensuing calendar year and in which a
 29 statewide general reassessment of real property does not first
 30 become effective.
 31 STEP FOUR: Compute separately, for each of the calendar years
 32 determined in STEP THREE, the actual percentage increase
 33 (rounded to the nearest one-hundredth percent (0.01%)) in the
 34 assessed value (before the adjustment, if any, under
 35 IC 6-1.1-4-4.5) of the taxable property from the preceding year.
 36 STEP FIVE: Divide the sum of the three (3) quotients computed
 37 in STEP FOUR by three (3).
 38 STEP SIX: Determine the greater of the following:
 39 (A) Zero (0).
 40 (B) The result of the STEP TWO percentage minus the STEP
 41 FIVE percentage.
 42 STEP SEVEN: Determine the quotient of the STEP ONE tax rate
 43 divided by the sum of one (1) plus the STEP SIX percentage
 44 increase.
 45 ~~(d)~~ (e) The department of local government finance county board
 46 of tax and capital projects review for a county shall compute the

1 maximum rate allowed under subsection ~~(c)~~ **(d)** and provide the rate to
 2 each political subdivision **in the county** with authority to levy a tax
 3 under a statute listed in subsection (a).".

4 Page 112, delete lines 1 through 42.

5 Page 113, delete lines 1 through 21.

6 Page 113, line 30, strike "limitations established by section 3 of"
 7 and insert **"tax limits imposed by"**.

8 Page 113, line 31, strike "taxing unit.".

9 Page 113, line 34, after "unit." insert **"political subdivision."**

10 Page 113, line 36, strike "taxing unit's levy limitations, rate, and
 11 levy" and insert **"tax limits, tax rates, and tax levies"**.

12 Page 113, line 38, strike "taxing unit's levy".

13 Page 113, line 39, strike "limitations, rate, or levy for the ensuing
 14 calendar" and insert **"tax limits, tax rates, or tax levies for the
 15 ensuing budget"**.

16 Page 115, between lines 19 and 20, begin a new paragraph and
 17 insert:

18 "SECTION 146. IC 6-1.1-18.5-22 IS ADDED TO THE INDIANA
 19 CODE AS A NEW SECTION TO READ AS FOLLOWS
 20 [EFFECTIVE JANUARY 1, 2009]: **Sec. 22. The tax limits imposed
 21 by this chapter do not apply to a redevelopment district's tax
 22 increment revenues. For purposes of computing the tax limits
 23 imposed under this chapter, a political subdivision's:**

24 **(1) expenditures do not include expenditures from tax
 25 increment revenues; and**

26 **(2) taxes and fees do not include tax increment revenues.**

27 SECTION 147. IC 6-1.1-18.5-23 IS ADDED TO THE INDIANA
 28 CODE AS A NEW SECTION TO READ AS FOLLOWS
 29 [EFFECTIVE JANUARY 1, 2009]: **Sec. 23. (a) This section applies
 30 to fees:**

31 **(1) paid to a political subdivision by another entity for the use
 32 of property by the other entity; and**

33 **(2) pledged by the political subdivision to pay a revenue bond
 34 (as defined in IC 5-1-5-1) issued to acquire, construct, or
 35 improve the property.**

36 **(b) The tax limits imposed by this chapter do not apply to
 37 dedicated revenue sources. For purposes of computing the tax
 38 limits imposed under this chapter, a political subdivision's:**

39 **(1) expenditures do not include expenditures from dedicated
 40 revenue sources; and**

41 **(2) taxes and fees do not include dedicated revenue sources.**

42 SECTION 148. IC 6-1.1-18.5-24 IS ADDED TO THE INDIANA
 43 CODE AS A NEW SECTION TO READ AS FOLLOWS
 44 [EFFECTIVE JANUARY 1, 2009]: **Sec. 24. The tax limits imposed
 45 by this chapter do not apply to a referendum tax levy imposed
 46 under IC 20-46-1. For purposes of computing the tax limits**

1 imposed under this chapter, a political subdivision's:

2 (1) expenditures do not include expenditures from a
3 referendum tax levy imposed under IC 20-46-1; and

4 (2) taxes and fees do not include revenue from a referendum
5 tax levy imposed under IC 20-46-1.

6 SECTION 149. IC 6-1.1-18.5-25 IS ADDED TO THE INDIANA
7 CODE AS A NEW SECTION TO READ AS FOLLOWS
8 [EFFECTIVE JANUARY 1, 2009]: **Sec. 25. (a) Except as provided**
9 **in this section, the tax limits imposed by this chapter do not apply**
10 **to intergovernmental transfers. For purposes of computing the tax**
11 **limits imposed under this chapter, a political subdivision's:**

12 (1) expenditures do not include intergovernmental transfers
13 or payments made from revenue received from an
14 intergovernmental transfer; and

15 (2) taxes and fees do not include intergovernmental transfers.

16 (b) For purposes of computing the tax limits imposed under this
17 chapter, the actions of:

18 (1) transferring fees described in IC 6-1.1-16.5-14 or taxes
19 described in IC 6-1.1-16.5-29 between political subdivisions in
20 a county that are subject to the same county tax limits; and

21 (2) the expenditure of the transferred amounts by the
22 receiving political subdivision;

23 shall be treated as a single expenditure. The determination of the
24 budget year in which the expenditure is made shall be determined
25 in accordance with the procedures adopted by a county board.

26 (c) For purposes of computing the tax limits imposed under this
27 chapter, the transfer of fees described in IC 6-1.1-16.5-14 or taxes
28 described in IC 6-1.1-16.5-29 between political subdivisions that
29 are not subject to the same county tax limits shall be treated as an
30 expenditure when the transfer is made.

31 SECTION 150. IC 6-1.1-18.5-26 IS ADDED TO THE INDIANA
32 CODE AS A NEW SECTION TO READ AS FOLLOWS
33 [EFFECTIVE JANUARY 1, 2009]: **Sec. 26. The tax limits imposed**
34 **by this chapter do not apply to taxes imposed to comply with a**
35 **court order holding that a federal law requires a political**
36 **subdivision to make improvements to property or provide services**
37 **that require increased operating expenditures, including debt**
38 **service obligations incurred to fund the expenditures or refund**
39 **previously issued bonds, loans, or obligations issued to fund the**
40 **expenditures. For purposes of computing the tax limits imposed**
41 **under this chapter, a political subdivision's:**

42 (1) expenditures do not include expenditures made to comply
43 with the court order; and

44 (2) taxes and fees do not include taxes imposed to fund
45 expenditures made to comply with the court order.

46 SECTION 151. IC 6-1.1-18.5-27 IS ADDED TO THE INDIANA
47 CODE AS A NEW SECTION TO READ AS FOLLOWS

[EFFECTIVE JANUARY 1, 2009]: **Sec. 27. The tax limits imposed by this chapter do not apply to property taxes imposed under IC 6-1.1-21.2 to pay the obligations of a redevelopment district. For purposes of computing the tax limits imposed under this chapter, a political subdivision's:**

(1) expenditures do not include expenditures made from property taxes imposed under IC 6-1.1-21.2 to pay the obligations of a redevelopment district; and

(2) taxes and fees do not include property taxes imposed under IC 6-1.1-21.2 to pay the obligations of a redevelopment district.

SECTION 152. IC 6-1.1-20-1.1, AS AMENDED BY P.L.2-2006, SECTION 51, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 1.1. As used in this chapter, "controlled project" means any project financed by bonds or a lease. **except for The term does not apply to** the following:

(1) A project for which the political subdivision reasonably expects to pay:

(A) debt service; or

(B) lease rentals;

from funds other than property taxes that are exempt from the levy limitations of IC 6-1.1-18.5. ~~or IC 20-45-3.~~ A project is not a controlled project even though the political subdivision has pledged to levy property taxes to pay the debt service or lease rentals if those other funds are insufficient.

(2) A project that will not cost the political subdivision more than two million dollars (\$2,000,000).

(3) A project that is being refinanced for the purpose of providing gross or net present value savings to taxpayers.

(4) A project for which bonds were issued or leases were entered into before January 1, 1996, or where the state board of tax commissioners has approved the issuance of bonds or the execution of leases before January 1, 1996.

(5) A project that is required by a court order holding that a federal law mandates the project.

SECTION 153. IC 6-1.1-20-1.3, AS AMENDED BY P.L.2-2006, SECTION 53, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 1.3. As used in this chapter, "lease" means a lease by a political subdivision of any controlled project with lease rentals payable from property taxes that are exempt from the levy limitations of IC 6-1.1-18.5. ~~or IC 20-45-3.~~

SECTION 154. IC 6-1.1-20-1.9, AS ADDED BY P.L.219-2007, SECTION 59, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 1.9. As used in this chapter, "registered voter" means the following:

(1) In the case of a petition under section 3.1 of this chapter to

1 initiate a petition and remonstrance process, an individual who is
 2 registered to vote in the political subdivision on the date the
 3 proper officers of the political subdivision publish notice under
 4 section 3.1(2) of this chapter of a preliminary determination by
 5 the political subdivision to issue bonds or enter into a lease.

6 (2) In the case of:

7 (A) a petition under section 3.2 of this chapter in favor of the
 8 proposed debt service or lease payments; or

9 (B) a remonstrance under section 3.2 of this chapter against
 10 the proposed debt service or lease payments;

11 an individual who is registered to vote in the political subdivision
 12 on the date that is thirty (30) days after the notice of the
 13 applicability of the petition and remonstrance process is published
 14 under section 3.2(1) of this chapter.

15 **(3) In the case of a referendum under section 3.6 of this**
 16 **chapter, an individual who is qualified and registered to vote**
 17 **in the election in which the local public question is on the**
 18 **ballot.**

19 SECTION 155. IC 6-1.1-20-3.1, AS AMENDED BY P.L.219-2007,
 20 SECTION 60, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 21 JANUARY 1, 2009]: Sec. 3.1. **This section does not apply to a**
 22 **controlled project described in section 3.5(a)(2) of this chapter.** A
 23 political subdivision may not impose property taxes to pay debt service
 24 or lease rentals without completing the following procedures:

25 (1) The proper officers of a political subdivision shall:

26 (A) publish notice in accordance with IC 5-3-1; and

27 (B) send notice by first class mail to any organization that
 28 delivers to the officers, before January 1 of that year, an annual
 29 written request for such notices;

30 of any meeting to consider adoption of a resolution or an
 31 ordinance making a preliminary determination to issue bonds or
 32 enter into a lease and shall conduct a public hearing on a
 33 preliminary determination before adoption of the resolution or
 34 ordinance.

35 (2) When the proper officers of a political subdivision make a
 36 preliminary determination to issue bonds or enter into a lease, the
 37 officers shall give notice of the preliminary determination by:

38 (A) publication in accordance with IC 5-3-1; and

39 (B) first class mail to the organizations described in
 40 subdivision (1)(B).

41 (3) A notice under subdivision (2) of the preliminary
 42 determination of the political subdivision to issue bonds or enter
 43 into a lease must include the following information:

44 (A) The maximum term of the bonds or lease.

45 (B) The maximum principal amount of the bonds or the
 46 maximum lease rental for the lease.

- 1 (C) The estimated interest rates that will be paid and the total
 2 interest costs associated with the bonds or lease.
- 3 (D) The purpose of the bonds or lease.
- 4 (E) A statement that any owners of real property within the
 5 political subdivision or registered voters residing within the
 6 political subdivision who want to initiate a petition and
 7 remonstrance process against the proposed debt service or
 8 lease payments must file a petition that complies with
 9 subdivisions (4) and (5) not later than thirty (30) days after
 10 publication in accordance with IC 5-3-1.
- 11 (F) With respect to bonds issued or a lease entered into to
 12 open:
- 13 (i) a new school facility; or
- 14 (ii) an existing facility that has not been used for at least
 15 three (3) years and that is being reopened to provide
 16 additional classroom space;
- 17 the estimated costs the school corporation expects to incur
 18 annually to operate the facility.
- 19 ~~(G) A statement of whether the school corporation expects to~~
 20 ~~appeal for a new facility adjustment (as defined in~~
 21 ~~IC 20-45-1-16) for an increased maximum permissible tuition~~
 22 ~~support levy to pay the estimated costs described in clause (F).~~
- 23 (4) After notice is given, a petition requesting the application of
 24 a petition and remonstrance process may be filed by the lesser of:
- 25 (A) one hundred (100) persons who are either owners of real
 26 property within the political subdivision or registered voters
 27 residing within the political subdivision; or
- 28 (B) five percent (5%) of the registered voters residing within
 29 the political subdivision.
- 30 (5) The state board of accounts shall design and, upon request by
 31 the county voter registration office, deliver to the county voter
 32 registration office or the county voter registration office's
 33 designated printer the petition forms to be used solely in the
 34 petition process described in this section. The county voter
 35 registration office shall issue to an owner or owners of real
 36 property within the political subdivision or a registered voter
 37 residing within the political subdivision the number of petition
 38 forms requested by the owner or owners or the registered voter.
 39 Each form must be accompanied by instructions detailing the
 40 requirements that:
- 41 (A) the carrier and signers must be owners of real property or
 42 registered voters;
- 43 (B) the carrier must be a signatory on at least one (1) petition;
- 44 (C) after the signatures have been collected, the carrier must
 45 swear or affirm before a notary public that the carrier
 46 witnessed each signature; and

- 1 (D) govern the closing date for the petition period.
2 Persons requesting forms may be required to identify themselves
3 as owners of real property or registered voters and may be
4 allowed to pick up additional copies to distribute to other property
5 owners or registered voters. Each person signing a petition must
6 indicate whether the person is signing the petition as a registered
7 voter within the political subdivision or is signing the petition as
8 the owner of real property within the political subdivision. A
9 person who signs a petition as a registered voter must indicate the
10 address at which the person is registered to vote. A person who
11 signs a petition as a real property owner must indicate the address
12 of the real property owned by the person in the political
13 subdivision.
- 14 (6) Each petition must be verified under oath by at least one (1)
15 qualified petitioner in a manner prescribed by the state board of
16 accounts before the petition is filed with the county voter
17 registration office under subdivision (7).
- 18 (7) Each petition must be filed with the county voter registration
19 office not more than thirty (30) days after publication under
20 subdivision (2) of the notice of the preliminary determination.
- 21 (8) The county voter registration office shall determine whether
22 each person who signed the petition is a registered voter. The
23 county voter registration office shall not more than fifteen (15)
24 business days after receiving a petition forward a copy of the
25 petition to the county auditor. Not more than ten (10) business
26 days after receiving the copy of the petition, the county auditor
27 shall provide to the county voter registration office a statement
28 verifying:
- 29 (A) whether a person who signed the petition as a registered
30 voter but is not a registered voter, as determined by the county
31 voter registration office, is the owner of real property in the
32 political subdivision; and
- 33 (B) whether a person who signed the petition as an owner of
34 real property within the political subdivision does in fact own
35 real property within the political subdivision.
- 36 (9) The county voter registration office shall not more than ten
37 (10) business days after receiving the statement from the county
38 auditor under subdivision (8) make the final determination of the
39 number of petitioners that are registered voters in the political
40 subdivision and, based on the statement provided by the county
41 auditor, the number of petitioners that own real property within
42 the political subdivision. Whenever the name of an individual
43 who signs a petition form as a registered voter contains a minor
44 variation from the name of the registered voter as set forth in the
45 records of the county voter registration office, the signature is
46 presumed to be valid, and there is a presumption that the

individual is entitled to sign the petition under this section. Except as otherwise provided in this chapter, in determining whether an individual is a registered voter, the county voter registration office shall apply the requirements and procedures used under IC 3 to determine whether a person is a registered voter for purposes of voting in an election governed by IC 3. However, an individual is not required to comply with the provisions concerning providing proof of identification to be considered a registered voter for purposes of this chapter. A person is entitled to sign a petition only one (1) time in a particular petition and remonstrance process under this chapter, regardless of whether the person owns more than one (1) parcel of real property within the subdivision and regardless of whether the person is both a registered voter in the political subdivision and the owner of real property within the political subdivision. Notwithstanding any other provision of this section, if a petition is presented to the county voter registration office within thirty-five (35) days before an election, the county voter registration office may defer acting on the petition, and the time requirements under this section for action by the county voter registration office do not begin to run until five (5) days after the date of the election.

(10) The county voter registration office must file a certificate and each petition with:

(A) the township trustee, if the political subdivision is a township, who shall present the petition or petitions to the township board; or

(B) the body that has the authority to authorize the issuance of the bonds or the execution of a lease, if the political subdivision is not a township;

within thirty-five (35) business days of the filing of the petition requesting a petition and remonstrance process. The certificate must state the number of petitioners that are owners of real property within the political subdivision and the number of petitioners who are registered voters residing within the political subdivision.

If a sufficient petition requesting a petition and remonstrance process is not filed by owners of real property or registered voters as set forth in this section, the political subdivision may issue bonds or enter into a lease by following the provisions of law relating to the bonds to be issued or lease to be entered into.

SECTION 156. IC 6-1.1-20-3.2, AS AMENDED BY P.L.219-2007, SECTION 61, AND AS AMENDED BY P.L.224-2007, SECTION 31, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 3.2. **This section does not apply to a controlled project described in section 3.5(a)(2) of this chapter.** If a sufficient petition requesting the application of a petition

1 and remonstrance process has been filed as set forth in section 3.1 of
 2 this chapter, a political subdivision may not impose property taxes to
 3 pay debt service or lease rentals without completing the following
 4 procedures:

5 (1) The proper officers of the political subdivision shall give
 6 notice of the applicability of the petition and remonstrance
 7 process by:

8 (A) publication in accordance with IC 5-3-1; and

9 (B) first class mail to the organizations described in section

10 3.1(1)(B) of this chapter.

11 A notice under this subdivision must include a statement that any
 12 owners of real property *within the political subdivision or*
 13 *registered voters residing* within the political subdivision who
 14 want to petition in favor of or remonstrate against the proposed
 15 debt service or lease payments must file petitions and
 16 remonstrances in compliance with subdivisions (2) through (4)
 17 not earlier than thirty (30) days or later than sixty (60) days after
 18 publication in accordance with IC 5-3-1.

19 (2) Not earlier than thirty (30) days or later than sixty (60) days
 20 after the notice under subdivision (1) is given:

21 (A) petitions (described in subdivision (3)) in favor of the
 22 bonds or lease; and

23 (B) remonstrances (described in subdivision (3)) against the
 24 bonds or lease;

25 may be filed by an owner or owners of real property *within the*
 26 *political subdivision or a registered voter residing* within the
 27 political subdivision. Each signature on a petition must be dated
 28 and the date of signature may not be before the date on which the
 29 petition and remonstrance forms may be issued under subdivision
 30 (3). A petition described in clause (A) or a remonstrance
 31 described in clause (B) must be verified in compliance with
 32 subdivision (4) before the petition or remonstrance is filed with
 33 the county ~~auditor~~ voter registration office under subdivision (4).

34 (3) The state board of accounts shall design and, upon request by
 35 the county ~~auditor~~, voter registration office, deliver to the county
 36 ~~auditor~~ voter registration office or the county ~~auditor's~~ voter
 37 registration office's designated printer the petition and
 38 remonstrance forms to be used solely in the petition and
 39 remonstrance process described in this section. The county
 40 ~~auditor~~ voter registration office shall issue to an owner or owners
 41 of real property *within the political subdivision or a registered*
 42 *voter residing* within the political subdivision the number of
 43 petition or remonstrance forms requested by the owner or owners
 44 *or the registered voter*. Each form must be accompanied by
 45 instructions detailing the requirements that:

46 (A) the carrier and signers must be owners of real property *or*

- 1 *registered voters;*
 - 2 (B) the carrier must be a signatory on at least one (1) petition;
 - 3 (C) after the signatures have been collected, the carrier must
 - 4 swear or affirm before a notary public that the carrier
 - 5 witnessed each signature;
 - 6 (D) govern the closing date for the petition and remonstrance
 - 7 period; and
 - 8 (E) apply to the carrier under section 10 of this chapter.
- 9 Persons requesting forms may *not* be required to identify
10 themselves *as owners of real property or registered voters* and
11 may be allowed to pick up additional copies to distribute to other
12 property owners *or registered voters*. *Each person signing a*
13 *petition or remonstrance must indicate whether the person is*
14 *signing the petition or remonstrance as a registered voter within*
15 *the political subdivision or is signing the petition or*
16 *remonstrance as the owner of real property within the political*
17 *subdivision. A person who signs a petition or remonstrance as a*
18 *registered voter must indicate the address at which the person is*
19 *registered to vote. A person who signs a petition or remonstrance*
20 *as a real property owner must indicate the address of the real*
21 *property owned by the person in the political subdivision. The*
22 county ~~auditor~~ *voter registration office* may not issue a petition
23 or remonstrance form earlier than twenty-nine (29) days after the
24 notice is given under subdivision (1). The county ~~auditor~~ *voter*
25 *registration office* shall certify the date of issuance on each
26 petition or remonstrance form that is distributed under this
27 subdivision.
- 28 (4) The petitions and remonstrances must be verified in the
29 manner prescribed by the state board of accounts and filed with
30 the county ~~auditor~~ *voter registration office* within the sixty (60)
31 day period described in subdivision (2) in the manner set forth in
32 section 3.1 of this chapter relating to requests for a petition and
33 remonstrance process.
- 34 (5) *The county voter registration office shall determine whether*
35 *each person who signed the petition or remonstrance is a*
36 *registered voter. The county voter registration office shall not*
37 *more than fifteen (15) business days after receiving a petition or*
38 *remonstrance forward a copy of the petition or remonstrance to*
39 *the county auditor. Not more than ten (10) business days after*
40 *receiving the copy of the petition or remonstrance, the county*
41 *auditor shall provide to the county voter registration office a*
42 *statement verifying:*
- 43 (A) *whether a person who signed the petition or remonstrance*
44 *as a registered voter but is not a registered voter, as*
45 *determined by the county voter registration office, is the*
46 *owner of real property in the political subdivision; and*

1 (B) whether a person who signed the petition or remonstrance
 2 as an owner of real property within the political subdivision
 3 does in fact own real property within the political subdivision.

4 (6) The county voter registration office shall not more than ten
 5 (10) business days after receiving the statement from the county
 6 auditor under subdivision (5) make the final determination of:

7 (A) the number of registered voters in the political subdivision
 8 that signed a petition and, based on the statement provided by
 9 the county auditor, the number of owners of real property
 10 within the political subdivision that signed a petition; and

11 (B) the number of registered voters in the political subdivision
 12 that signed a remonstrance and, based on the statement
 13 provided by the county auditor, the number of owners of real
 14 property within the political subdivision that signed a
 15 remonstrance.

16 Whenever the name of an individual who signs a petition or
 17 remonstrance as a registered voter contains a minor variation
 18 from the name of the registered voter as set forth in the records
 19 of the county voter registration office, the signature is presumed
 20 to be valid, and there is a presumption that the individual is
 21 entitled to sign the petition or remonstrance under this section.
 22 Except as otherwise provided in this chapter, in determining
 23 whether an individual is a registered voter, the county voter
 24 registration office shall apply the requirements and procedures
 25 used under IC 3 to determine whether a person is a registered
 26 voter for purposes of voting in an election governed by IC 3.
 27 However, an individual is not required to comply with the
 28 provisions concerning providing proof of identification to be
 29 considered a registered voter for purposes of this chapter. A
 30 person is entitled to sign a petition or remonstrance only one (1)
 31 time in a particular petition and remonstrance process under this
 32 chapter, regardless of whether the person owns more than one (1)
 33 parcel of real property within the subdivision and regardless of
 34 whether the person is both a registered voter in the political
 35 subdivision and the owner of real property within the political
 36 subdivision. Notwithstanding any other provision of this section,
 37 if a petition or remonstrance is presented to the county voter
 38 registration office within thirty-five (35) days before an election,
 39 the county voter registration office may defer acting on the
 40 petition or remonstrance, and the time requirements under this
 41 section for action by the county voter registration office do not
 42 begin to run until five (5) days after the date of the election.

43 ~~(5)~~ (7) The county ~~auditor~~ voter registration office must file a
 44 certificate and the petition or remonstrance with the body of the
 45 political subdivision charged with issuing bonds or entering into
 46 leases within ~~fifteen (15)~~ thirty-five (35) business days of the

filing of a petition or remonstrance under subdivision (4), whichever applies, containing ten thousand (10,000) signatures or less. The county ~~auditor~~ *voter registration office* may take an additional five (5) days to review and certify the petition or remonstrance for each additional five thousand (5,000) signatures up to a maximum of sixty (60) days. The certificate must state the number of petitioners and remonstrators that are owners of real property *within the political subdivision and the number of petitioners who are registered voters residing* within the political subdivision.

~~(6)~~ (8) If a greater number of persons who are either owners of real property *within the political subdivision or registered voters residing* within the political subdivision sign a remonstrance than the number that signed a petition, the bonds petitioned for may not be issued or the lease petitioned for may not be entered into. The proper officers of the political subdivision may not make a preliminary determination to issue bonds or enter into a lease for the controlled project defeated by the petition and remonstrance process under this section or any other controlled project that is not substantially different within one (1) year after the date of the county ~~auditor's~~ *voter registration office's* certificate under subdivision ~~(5)~~: (7). Withdrawal of a petition carries the same consequences as a defeat of the petition.

~~(7)~~ (9) After a political subdivision has gone through the petition and remonstrance process set forth in this section, the political subdivision is not required to follow any other remonstrance or objection procedures under any other law (including section 5 of this chapter) relating to bonds or leases designed to protect owners of real property within the political subdivision from the imposition of property taxes to pay debt service or lease rentals. ~~However, the political subdivision must still receive the approval of the department of local government finance if required by:~~

(A) ~~IC 6-1.1-18.5-8; or~~

(B) ~~IC 20-46-7-8, IC 20-46-7-9, and IC 20-46-7-10.~~

Page 115, line 28, delete "IC 6-1.1-29.5-16;" and insert "**IC 6-1.1-29.5-13;**".

Page 119, between lines 40 and 41, begin a new paragraph and insert:

"SECTION 171. IC 6-1.1-20.6-2, AS ADDED BY P.L.246-2005, SECTION 62, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 2. As used in this chapter, "homestead" has the meaning set forth in ~~IC 6-1.1-20.9-1~~ **IC 6-1.1-12-37.**".

Page 121, line 31, strike "gross".

Page 122, line 7, strike "gross".

Page 122, line 17, delete "gross".

Page 122, line 28, strike "gross".

Page 125, between lines 11 and 12, begin a new paragraph and insert:

"SECTION 177. IC 6-1.1-21.2-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 3. As used in this chapter, "allocation area" refers to an area that is established under the authority of any of the following statutes and in which tax increment revenues are collected:

(1) IC 8-22-3.5.

(2) IC 36-7-14.

(3) IC 36-7-14.5.

(4) IC 36-7-15.1.

(5) IC 36-7-30.

(6) IC 36-7-30.5.

SECTION 178. IC 6-1.1-21.2-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 4. As used in this chapter, "base assessed value" means the base assessed value as that term is defined or used in:

(1) IC 8-22-3.5-9(a);

(2) IC 8-22-3.5-9.5;

~~(2)~~ **(3) IC 36-7-14-39(a);**

(4) IC 36-7-14-39.2;

~~(3)~~ **(5) IC 36-7-14-39.3(c);**

(6) IC 36-7-14-48;

~~(4)~~ **(7) IC 36-7-14.5-12.5;**

~~(5)~~ **(8) IC 36-7-15.1-26(a);**

~~(6)~~ **(9) IC 36-7-15.1-26.2(c);**

~~(7)~~ **(10) IC 36-7-15.1-35(a);**

(11) IC 36-7-15.1-35.5;

~~(8)~~ **(12) IC 36-7-15.1-53;**

~~(9)~~ **(13) IC 36-7-15.1-55(c);**

~~(10)~~ **(14) IC 36-7-30-25(a)(2); or**

~~(11)~~ **(15) IC 36-7-30-26(c);**

(16) IC 36-7-30.5-30; or

(17) IC 36-7-30.5-31.

SECTION 179. IC 6-1.1-21.2-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 5. As used in this chapter, "district" refers to **the following:**

(1) An eligible entity (as defined in IC 8-22-3.5-2.5).

(2) A redevelopment district, for an allocation area established under:

(A) IC 36-7-14; or

(B) IC 36-7-15.1. ~~or~~

(3) A special taxing district, as described in:

(A) IC 36-7-14.5-12.5(d); ~~or~~

(B) IC 36-7-30-3(b); **or**

(C) IC 36-7-30.5-16.

SECTION 180. IC 6-1.1-21.2-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 6. As used in this chapter, "governing body" means the following:

(1) For an allocation area created under IC 8-22-3.5, the commission (as defined in IC 8-22-3.5-2).

(2) For an allocation area created under IC 36-7-14, the redevelopment commission.

(3) For an allocation area created under IC 36-7-14.5, the redevelopment authority.

(4) For an allocation area created under IC 36-7-15.1, the metropolitan development commission.

(5) For an allocation area created under IC 36-7-30, the military base reuse authority.

(6) For an allocation area created under IC 36-7-30.5, the military base development authority.

SECTION 181. IC 6-1.1-21.2-6.6 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 6.6. As used in this chapter, "obligation" means an obligation to repay:

(1) the principal and interest on bonds;

(2) lease rentals on leases; or

(3) any other contractual obligation;

payable from tax increment revenues. The term includes a guarantee of repayment from tax increment revenues if other revenues are insufficient to make a payment.

SECTION 182. IC 6-1.1-21.2-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 7. As used in this chapter, "property taxes" means:

(1) property taxes, as defined in:

(A) IC 36-7-14-39(a);

(B) IC 36-7-14-39.2;

~~(B)~~ (C) IC 36-7-14-39.3(c);

(D) IC 36-7-14.5-12.5;

~~(E)~~ (E) IC 36-7-15.1-26(a);

~~(F)~~ (F) IC 36-7-15.1-26.2(c);

~~(G)~~ (G) IC 36-7-15.1-53(a);

~~(H)~~ (H) IC 36-7-15.1-55(c);

~~(I)~~ (I) IC 36-7-30-25(a)(3); ~~or~~

~~(J)~~ (J) IC 36-7-30-26(c); ~~or~~

(K) IC 36-7-30.5-30; or

(L) IC 36-7-30.5-31; or

(2) for allocation areas created under IC 8-22-3.5, the taxes assessed on taxable tangible property in the allocation area.

SECTION 183. IC 6-1.1-21.2-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 8. As used in this chapter, "special fund" means:

- (1) the special funds referred to in IC 8-22-3.5-9(e);
- (2) the allocation fund referred to in IC 36-7-14-39(b)(2);
- (3) the allocation fund referred to in IC 36-7-14.5-12.5(d);
- (4) the special fund referred to in IC 36-7-15.1-26(b)(2);
- (5) the special fund referred to in IC 36-7-15.1-53(b)(2); ~~or~~
- (6) the allocation fund referred to in IC 36-7-30-25(b)(2); ~~or~~
- (7) the allocation fund referred to in IC 36-7-30.5-30(b)(2).**

SECTION 184. IC 6-1.1-21.2-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 11. (a) ~~Not later than September 1 of a year in which a general reassessment does not become effective;~~ The governing body shall estimate the tax increment replacement amount for each allocation area under the jurisdiction of the governing body for the next calendar year ~~in a year in which a general reassessment becomes effective;~~ the department of local government finance may extend the deadline under this subsection by giving written notice to the governing body before the deadline: **on the schedule prescribed by the department of local government finance (for tax incentive revenues imposed for an assessment date before January 16, 2009) and the county board of tax and capital projects review for the county in which the majority of the assessed value in the allocation area is located (for tax incentive revenues imposed for an assessment date after January 15, 2009).**

(b) The tax increment replacement amount is the **greater of zero (0) or the net amount determined in STEP THREE** of the following formula:

STEP ONE: The governing body shall estimate the amount of tax increment revenues it would receive in the next calendar year if the property tax replacement credits payable with respect to the general fund levies imposed by all school corporations with jurisdiction in the allocation area were determined under ~~IC 6-1.1-21 as in effect on January 1, 2001.~~

STEP TWO: The governing body shall estimate the amount of tax increment revenues it will receive in the next calendar year after implementation of the increase in the property tax credits payable under ~~IC 6-1.1-21, as amended by the general assembly in 2002;~~ with respect to general fund levies imposed by all school corporations with jurisdiction in the allocation area.

STEP THREE: Subtract the STEP TWO amount from the STEP ONE amount: **by which:**

- (1) laws enacted by the general assembly; and**
- (2) actions taken by a county board of tax and capital projects review;**

after the establishment of the allocation area have decreased the tax increment revenues of the allocation area for the next calendar year (after adjusting for any increases resulting from laws or actions of the county board) below the sum of the amount needed

1 to make all payments that are due in the next calendar year on
 2 obligations payable from tax increment revenues and to maintain
 3 any tax increment revenue to obligation payment ratio required by
 4 an agreement on which any of the obligations are based.

5 SECTION 185. IC 6-1.1-21.2-12 IS AMENDED TO READ AS
 6 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 12. (a) ~~A~~ tax is
 7 imposed each year on all taxable property in the district in which the
 8 governing body exercises jurisdiction. ~~This section applies if the tax~~
 9 ~~increment replacement amount for an allocation area in a district~~
 10 ~~is greater than zero (0).~~

11 (b) Except as provided in subsections (c) and (d), the tax imposed
 12 under this section shall be automatically imposed at a rate sufficient to
 13 generate the tax increment replacement amount determined under
 14 section ~~11~~(b) of this chapter for that year. ~~A governing body may,~~
 15 ~~after a public hearing, do the following:~~

16 (1) Impose a special assessment on the owners of property
 17 that is located in an allocation area to raise an amount not to
 18 exceed the tax increment replacement amount.

19 (2) Impose a tax on all taxable property in the district in
 20 which the governing body exercises jurisdiction to raise an
 21 amount not to exceed the tax increment replacement amount.

22 (3) Reduce the base assessed value of property in the
 23 allocation area to an amount that is sufficient to increase the
 24 tax increment revenues in the allocation area by an amount
 25 that does not exceed the tax increment replacement amount.

26 (c) The legislative body of the unit that established the district may:
 27 governing body shall submit a proposed special assessment or tax
 28 levy under this section to the county board of tax and capital
 29 projects review. The county board of tax and capital projects
 30 review for the county in which the majority of the assessed value
 31 of the property in the allocation area is located may:

32 (1) reduce the amount of the special assessment or tax to be
 33 levied under this section; or

34 (2) determine that no special assessment or property tax should
 35 be levied under this section; or

36 (3) increase the special assessment or tax to the amount
 37 necessary to fully fund the tax increment replacement
 38 amount.

39 (d) This subsection applies to a district in which the total assessed
 40 value of all allocation areas in the district is greater than ten percent
 41 (~~10~~%) of the total assessed value of the district. Except as provided in
 42 section ~~14~~(d) of this chapter, a tax levy imposed under this section may
 43 not exceed the lesser of:

44 (1) the tax increment replacement amount; or

45 (2) the amount that will result from the imposition of a rate for the
 46 tax levy that the department of local government finance

1 estimates will cause the total tax rate in the district to be one
2 hundred ten percent (110%) of the rate that would apply if the tax
3 levy authorized by this chapter were not imposed for the year.

4 (d) Before a public hearing under subsection (b) may be held,
5 the governing body must publish notice of the hearing under
6 IC 5-3-1. The notice must also be sent to the fiscal officer of each
7 political subdivision that is located in any part in the district. The
8 notice must state that the governing body will meet to consider
9 whether a special assessment or tax should be imposed under this
10 chapter and whether the special assessment or tax will help the
11 governing body realize the redevelopment or economic
12 development objectives for the allocation area or honor its
13 obligations related to the allocation area. The notice must also
14 specify a date when the governing body will receive and hear
15 remonstrances and objections from persons affected by the special
16 assessment. All persons affected by the hearing, including all
17 taxpayers within the allocation area, shall be considered notified of
18 the pendency of the hearing and of subsequent acts, hearings, and
19 orders of the governing body by the notice. At the hearing, which
20 may be adjourned from time to time, the governing body shall hear
21 all persons affected by the proceedings and shall consider all
22 written remonstrances and objections that have been filed. The
23 only grounds for remonstrance or objection are that the special
24 assessment or tax will not help the governing body realize the
25 redevelopment or economic development objectives for the
26 allocation area or honor its obligations related to the allocation
27 area. After considering the evidence presented, the governing body
28 shall take final action concerning the proposed special assessment
29 or tax. The final action taken by the governing body shall be
30 recorded and is final and conclusive, except that an appeal may be
31 taken in the manner prescribed by subsection (e).

32 (e) A person who filed a written remonstrance with a governing
33 body under subsection (d) and is aggrieved by the final action
34 taken may, within ten (10) days after that final action, file in the
35 office of the clerk of the circuit or superior court a copy of the
36 order of the governing body and the person's remonstrance or
37 objection against that final action, together with a bond
38 conditioned to pay the costs of appeal if the appeal is determined
39 against the person. The only ground of remonstrance or objection
40 that the court may hear is whether the proposed special assessment
41 or tax will help achieve the redevelopment or economic
42 development objectives for the allocation area or honor its
43 obligations related to the allocation area. An appeal under this
44 subsection shall be promptly heard by the court without a jury. All
45 remonstrances or objections upon which an appeal has been taken
46 must be consolidated, heard, and determined within thirty (30)
47 days after the time of the filing of the appeal. The court shall hear

evidence on the remonstrances or objections and may confirm the final action of the governing body or sustain the remonstrances or objections. The judgment of the court is final and conclusive, unless an appeal is taken as in other civil actions.

SECTION 186. IC 6-1.1-21.2-15, AS AMENDED BY P.L.224-2007, SECTION 40, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 15. (a) A tax levied under this chapter shall be certified by the department of local government finance to the auditor of the county in which the district is located and shall be:

(1) estimated and entered upon the tax duplicates by the county auditor; and

(2) collected and enforced by the county treasurer; in the same manner as state and county taxes are estimated; entered; collected; and enforced.

(b) (a) As the special assessment or tax imposed under this chapter is collected by the county treasurer, it shall be transferred to the governing body and accumulated and kept in the special fund for the allocation area.

(c) (b) A special assessment or tax levied under this chapter

(1) is exempt from the levy limitations imposed under IC 6-1.1-18.5; and

(2) is not subject to IC 6-1.1-20.

(d) Notwithstanding any other provision of this chapter or IC 6-1.1-20.6, a governing body may file with the county auditor a certified statement providing that for purposes of computing and applying a credit under IC 6-1.1-20.6 for a particular calendar year, a taxpayer's property tax liability does not include the liability for a tax levied under this chapter. The department of local government finance shall adopt the form of the certified statement that a governing body may file under this subsection. The department of local government finance shall establish procedures governing the filing of a certified statement under this subsection. If a governing body files a certified statement under this subsection, then for purposes of computing and applying a credit under IC 6-1.1-20.6 for the specified calendar year, a taxpayer's property tax liability does not include the liability for a tax levied under this chapter.

(e) (c) A special assessment or tax levied under this chapter and the use of revenues from a special assessment or tax levied under this chapter by a governing body do not create a constitutional or statutory debt, pledge, or obligation of the governing body, the district, or any unit: county, city, town, or township.

SECTION 187. IC 6-1.1-21.2-16 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 16. (a) This section applies if the tax increment replacement amount for an allocation area in

1 a district is less than zero (0).

2 (b) The governing body of a district shall increase the base
3 assessed value of property in the allocation area by the negative tax
4 increment replacement amount.

5 SECTION 188. IC 6-1.1-21.5-6, AS AMENDED BY P.L.2-2006,
6 SECTION 60, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
7 JANUARY 1, 2009]: Sec. 6. (a) The receipt by the qualified taxing unit
8 of the loan proceeds is not considered to be part of the ad valorem
9 property tax levy actually collected by the qualified taxing unit for
10 taxes first due and payable during a particular calendar year for the
11 purpose of calculating the levy excess under IC 6-1.1-18.5-17. ~~and~~
12 ~~IC 20-44-3~~. The receipt by the qualified taxing unit of any payment of
13 delinquent tax owed by a taxpayer in bankruptcy is considered to be
14 part of the ad valorem property tax levy actually collected by the
15 qualified taxing unit for taxes first due and payable during a particular
16 calendar year for the purpose of calculating the levy excess under
17 IC 6-1.1-18.5-17. ~~and IC 20-44-3~~.

18 (b) The loan proceeds and any payment of delinquent tax may be
19 expended by the qualified taxing unit only to pay debts of the qualified
20 taxing unit that have been incurred pursuant to duly adopted
21 appropriations approved by the department of local government finance
22 for operating expenses.

23 (c) In the event the sum of the receipts of the qualified taxing unit
24 that are attributable to:

25 (1) the loan proceeds; and

26 (2) the payment of property taxes owed by a taxpayer in a
27 bankruptcy proceeding initially filed in 2000 and payable in 2001;
28 exceeds sixteen million dollars (\$16,000,000), the excess as received
29 during any calendar year or years shall be set aside and treated for the
30 calendar year when received as a levy excess subject to
31 IC 6-1.1-18.5-17. ~~or IC 20-44-3~~. ~~In calculating the payment of property~~
32 ~~taxes as provided in subdivision (2); the amount of property tax credit~~
33 ~~finally allowed under IC 6-1.1-21-5 in respect to such taxes is~~
34 ~~considered a payment of such property taxes.~~

35 (d) As used in this section, "delinquent tax" means any tax owed by
36 a taxpayer in a bankruptcy proceeding initially filed in 2000 and that
37 is not paid during the calendar year for which it was first due and
38 payable.

39 SECTION 189. IC 6-1.1-21.8-6, AS AMENDED BY P.L.2-2006,
40 SECTION 64, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
41 JANUARY 1, 2009]: Sec. 6. (a) As used in this section, "delinquent
42 tax" means any tax:

43 (1) owed by a taxpayer in a bankruptcy proceeding initially filed
44 in 2001; and

45 (2) not paid during the calendar year in which it was first due and
46 payable.

(b) Except as provided in subsection (d), the proceeds of a loan received by the qualified taxing unit under this chapter are not considered to be part of the ad valorem property tax levy actually collected by the qualified taxing unit for taxes first due and payable during a particular calendar year for the purpose of calculating the levy excess under IC 6-1.1-18.5-17. ~~and IC 20-44-3.~~ The receipt by a qualified taxing unit of any payment of delinquent tax owed by a taxpayer in bankruptcy is considered to be part of the ad valorem property tax levy actually collected by the qualified taxing unit for taxes first due and payable during a particular calendar year for the purpose of calculating the levy excess under IC 6-1.1-18.5-17. ~~and IC 20-44-3.~~

(c) The proceeds of a loan made under this chapter must first be used to retire any outstanding loans made by the department of commerce (including any loans made by the department of commerce that are transferred to the Indiana economic development corporation) to cover a qualified taxing unit's revenue shortfall resulting from the taxpayer's default on property tax payments. Any remaining proceeds of a loan made under this chapter and any payment of delinquent taxes by the taxpayer may be expended by the qualified taxing unit only to pay obligations of the qualified taxing unit that have been incurred under appropriations for operating expenses made by the qualified taxing unit and approved by the department of local government finance.

(d) If the sum of the receipts of a qualified taxing unit that are attributable to:

- (1) the loan proceeds; and
- (2) the payment of property taxes owed by a taxpayer in a bankruptcy proceeding and payable in November 2001, May 2002, or November 2002;

exceeds the sum of the taxpayer's property tax liability attributable to the qualified taxing unit for property taxes payable in November 2001, May 2002, and November 2002, the excess as received during any calendar year or years shall be set aside and treated for the calendar year when received as a levy excess subject to IC 6-1.1-18.5-17. ~~or IC 20-44-3. In calculating the payment of property taxes as referred to in subdivision (2), the amount of property tax credit finally allowed under IC 6-1.1-21-5 in respect to those taxes is considered to be a payment of those property taxes.~~

SECTION 190. IC 6-1.1-21.9-3, AS ADDED BY P.L.114-2006, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 3. (a) The board, not later than December 31, 2007, and after review by the budget committee, shall determine the terms of a loan made under this chapter, subject to the following:

- (1) The board may not charge interest on the loan.
- (2) The loan must be repaid not later than ten (10) years after the

1 date on which the loan was made.

2 (3) The terms of the loan must allow for prepayment of the loan
3 without penalty.

4 (4) The maximum amount of the loan that a qualifying taxing unit
5 may receive with respect to a default described in section 1(c)(3)
6 of this chapter on one (1) or more payments of property taxes first
7 due and payable in a calendar year is the amount, as determined
8 by the board, of revenue shortfall for the qualifying taxing unit
9 that results from the default for that calendar year.

10 (5) The total amount of all loans under this chapter for all
11 calendar years may not exceed thirteen million dollars
12 (\$13,000,000).

13 (b) The board may disburse in installments the proceeds of a loan
14 made under this chapter.

15 (c) A qualified taxing unit may repay a loan made under this chapter
16 from any of the following:

17 (1) Property tax revenues ~~of the qualified taxing unit that are~~
18 ~~subject to the levy limitations imposed by IC 6-1.1-18.5 or~~
19 ~~IC 6-1.1-19.~~

20 (2) Property tax revenues ~~of the qualified taxing unit that are not~~
21 ~~subject to levy limitations as provided in IC 6-1.1-18.5-21 or~~
22 ~~IC 6-1.1-19-13.~~

23 (3) ~~The qualified taxing unit's debt service fund.~~

24 (4) (2) Any other source of revenues (other than property taxes)
25 that is legally available to the qualified taxing unit.

26 The payment of any installment on a loan made under this chapter
27 constitutes a first charge against the property tax revenues described in
28 subdivision (1) or (2) that are collected by the qualified taxing unit
29 during the calendar year the installment is due and payable.

30 (d) ~~The obligation to repay a loan made under this chapter is not a~~
31 ~~basis for the qualified taxing unit to obtain an excessive tax levy under~~
32 ~~IC 6-1.1-18.5 or IC 6-1.1-19.~~

33 (e) (d) Whenever the board receives a payment on a loan made
34 under this chapter, the board shall deposit the amount paid in the
35 counter-cyclical revenue and economic stabilization fund.

36 SECTION 192. IC 6-1.1-21.9-4, AS ADDED BY P.L.114-2006,
37 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
38 JANUARY 1, 2009]: Sec. 4. (a) As used in this section, "delinquent
39 tax" means any tax not paid during the calendar year in which the tax
40 was first due and payable.

41 (b) Except as provided in subsection (c), the following are not
42 considered to be part of the ad valorem property tax levy actually
43 collected by the qualified taxing unit for taxes first due and payable
44 during a particular calendar year for the purpose of calculating the levy
45 excess under IC 6-1.1-18.5-17: ~~and IC 6-1.1-19-1.7.~~

46 (1) The proceeds of a loan received by the qualified taxing unit

under this chapter.

(2) The receipt by a qualified taxing unit of any payment of delinquent tax owed by a qualified taxpayer.

(c) Delinquent tax owed by a qualified taxpayer received by a qualified taxing unit:

(1) must first be used toward the retirement of an outstanding loan made under this chapter; and

(2) is considered, only to the extent that the amount received exceeds the amount of the outstanding loan, to be part of the ad valorem property tax levy actually collected by the qualified taxing unit for taxes first due and payable during a particular calendar year for the purpose of calculating the levy excess under IC 6-1.1-18.5-17. ~~and IC 6-1.1-19-1.7.~~

(d) If a qualified taxpayer pays delinquent tax during the term of repayment of an outstanding loan made under this chapter, the remaining loan balance is repayable in equal installments over the remainder of the original term of repayment.

(e) Proceeds of a loan made under this chapter may be expended by a qualified taxing unit only to pay obligations of the qualified taxing unit that have been incurred under appropriations for operating expenses made by the qualified taxing unit and approved by the department of local government finance.

SECTION 193. IC 6-1.1-22-3, AS AMENDED BY P.L.67-2006, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 3. (a) ~~Except as provided in subsection (b);~~ The auditor of each county shall, before March 15 of each year, prepare a roll of property taxes payable in that year for the county. This roll shall be known as the "tax duplicate" and shall show:

(1) the value of all the assessed property of the county;

(2) the person liable for the taxes on the assessed property; and

(3) any other information that the state board of accounts, with the advice and approval of the department of local government finance, may prescribe.

~~(b) If the county auditor receives a copy of an appeal petition under IC 6-1.1-18.5-12(g) or IC 6-1.1-19-2(g) before the county auditor completes preparation of the tax duplicate under subsection (a), the county auditor shall complete preparation of the tax duplicate when the appeal is resolved by the department of local government finance.~~

~~(c) If the county auditor receives a copy of an appeal petition under IC 6-1.1-18.5-12(g) or IC 6-1.1-19-2(g) after the county auditor completes preparation of the tax duplicate under subsection (a), the county auditor shall prepare a revised tax duplicate when the appeal is resolved by the department of local government finance that reflects the action of the department.~~

~~(d)~~ **(b)** The county auditor shall comply with the instructions issued by the state board of accounts for the preparation, preservation,

1 alteration, and maintenance of the tax duplicate. The county auditor
2 shall deliver a copy of the tax duplicate prepared under subsection (a)
3 to the county treasurer when preparation of the tax duplicate is
4 completed.

5 SECTION 194. IC 6-1.1-22-5, AS AMENDED BY P.L.67-2006,
6 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
7 JANUARY 1, 2009]: Sec. 5. ~~(a)~~ Except as provided in subsections ~~(b)~~
8 ~~and (c)~~; On or before March 15 of each year, the county auditor shall
9 prepare and deliver to the auditor of state and the county treasurer a
10 certified copy of an abstract of the property, assessments, taxes,
11 deductions, and exemptions for taxes payable in that year in each
12 taxing district of the county. The county auditor shall prepare the
13 abstract in such a manner that the information concerning property tax
14 deductions reflects the total amount of each type of deduction. The
15 abstract shall also contain a statement of the taxes and penalties unpaid
16 in each taxing unit at the time of the last settlement between the county
17 auditor and county treasurer and the status of these delinquencies. The
18 county auditor shall prepare the abstract on the form prescribed by the
19 state board of accounts. The auditor of state, county auditor, and county
20 treasurer shall each keep a copy of the abstract as a public record.

21 ~~(b) If the county auditor receives a copy of an appeal petition under~~
22 ~~IC 6-1.1-18.5-12(g) or IC 6-1.1-19-2(g) before the county auditor~~
23 ~~prepares and delivers the certified copy of the abstract under subsection~~
24 ~~(a); the county auditor shall prepare and deliver the certified copy of~~
25 ~~the abstract when the appeal is resolved by the department of local~~
26 ~~government finance.~~

27 ~~(c) If the county auditor receives a copy of an appeal petition under~~
28 ~~IC 6-1.1-18.5-12(g) or IC 6-1.1-19-2(g) after the county auditor~~
29 ~~prepares and delivers the certified copy of the abstract under subsection~~
30 ~~(a); the county auditor shall prepare and deliver a certified copy of a~~
31 ~~revised abstract when the appeal is resolved by the department of local~~
32 ~~government finance that reflects the action of the department.~~

33 SECTION 195. IC 6-1.1-22-9, AS AMENDED BY P.L.219-2007,
34 SECTION 64, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
35 JANUARY 1, 2009]: Sec. 9. (a) Except as provided in subsections (b)
36 and (c), the property taxes assessed for a year under this article are due
37 in two (2) equal installments on May 10 and November 10 of the
38 following year.

39 (b) Subsection (a) does not apply if any of the following apply to the
40 property taxes assessed for the year under this article:

- 41 (1) Subsection (c).
- 42 ~~(2) Subsection (d).~~
- 43 ~~(3) (2) Subsection (h): (f).~~
- 44 ~~(4) (3) Subsection (i): (g).~~
- 45 ~~(5) (4) IC 6-1.1-7-7.~~
- 46 ~~(6) (5) Section 9.5 of this chapter.~~

(c) A county council may adopt an ordinance to require a person to pay the person's property tax liability in one (1) installment, if the tax liability for a particular year is less than twenty-five dollars (\$25). If the county council has adopted such an ordinance, then whenever a tax statement mailed under section 8 of this chapter shows that the person's property tax liability for a year is less than twenty-five dollars (\$25) for the property covered by that statement, the tax liability for that year is due in one (1) installment on May 10 of that year.

(d) If the county treasurer receives a copy of an appeal petition under IC 6-1.1-18.5-12(g) or IC 6-1.1-19-2(g) before the county treasurer mails or transmits statements under section 8(a) of this chapter, the county treasurer may:

(1) mail or transmit the statements without regard to the pendency of the appeal and; if the resolution of the appeal by the department of local government finance results in changes in levies, mail or transmit reconciling statements under subsection (e); or

(2) delay the mailing or transmission of statements under section 8(a) of this chapter so that:

(A) the due date of the first installment that would otherwise be due under subsection (a) is delayed by not more than sixty (60) days; and

(B) all statements reflect any changes in levies that result from the resolution of the appeal by the department of local government finance.

(e) A reconciling statement under subsection (d)(1) must indicate:

(1) the total amount due for the year;

(2) the total amount of the installments paid that did not reflect the resolution of the appeal under IC 6-1.1-18.5-12(g) or IC 6-1.1-19-2(g) by the department of local government finance;

(3) if the amount under subdivision (1) exceeds the amount under subdivision (2), the adjusted amount that is payable by the taxpayer:

(A) as a final reconciliation of all amounts due for the year; and

(B) not later than:

(i) November 10; or

(ii) the date or dates established under section 9.5 of this chapter; and

(4) if the amount under subdivision (2) exceeds the amount under subdivision (1), that the taxpayer may claim a refund of the excess under IC 6-1.1-26.

(f) (d) If property taxes are not paid on or before the due date, the penalties prescribed in IC 6-1.1-37-10 shall be added to the delinquent taxes.

(g) (e) Notwithstanding any other law, a property tax liability of less than five dollars (\$5) is increased to five dollars (\$5). The difference

1 between the actual liability and the five dollar (\$5) amount that appears
 2 on the statement is a statement processing charge. The statement
 3 processing charge is considered a part of the tax liability.

4 ~~(h)~~ **(f)** If in a county the notices of general reassessment under
 5 IC 6-1.1-4-4 or notices of assessment under IC 6-1.1-4-4.5 for an
 6 assessment date in a calendar year are given to the taxpayers in the
 7 county after March 26 of the immediately succeeding calendar year, the
 8 property taxes that would otherwise be due under subsection (a) on
 9 May 10 of the immediately succeeding calendar year are due on the
 10 later of:

11 (1) May 10 of the immediately succeeding calendar year; or

12 (2) forty-five (45) days after the notices are given to taxpayers in
 13 the county.

14 ~~(i)~~ **(g)** If subsection ~~(h)~~ **(f)** applies, the property taxes that would
 15 otherwise be due under subsection (a) on November 10 of the
 16 immediately succeeding calendar year referred to in subsection ~~(h)~~ **(f)**
 17 are due on the later of:

18 (1) November 10 of the immediately succeeding calendar year; or

19 (2) a date determined by the county treasurer that is not later than
 20 December 31 of the immediately succeeding calendar year.

21 SECTION 196. IC 6-1.1-22-9.5, AS AMENDED BY P.L.1-2007,
 22 SECTION 48, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 23 JANUARY 1, 2009]: Sec. 9.5. (a) This section applies only to property
 24 taxes first due and payable in a year that begins after December 31,
 25 2003:

26 (1) with respect to a homestead (as defined in ~~IC 6-1.1-20.9-1~~;
 27 **IC 6-1.1-12-37**); and

28 (2) that are not payable in one (1) installment under section 9(c)
 29 of this chapter.

30 (b) At any time before the mailing or transmission of tax statements
 31 for a year under section 8 of this chapter, a county may petition the
 32 department of local government finance to establish a schedule of
 33 installments for the payment of property taxes with respect to:

34 (1) real property that are based on the assessment of the property
 35 in the immediately preceding year; or

36 (2) a mobile home or manufactured home that is not assessed as
 37 real property that are based on the assessment of the property in
 38 the current year.

39 The county fiscal body (as defined in IC 36-1-2-6) must approve a
 40 petition under this subsection.

41 (c) The department of local government finance:

42 (1) may not establish a date for:

43 (A) an installment payment that is earlier than May 10 of the
 44 year in which the tax statement is mailed or transmitted;

45 (B) the first installment payment that is later than November
 46 10 of the year in which the tax statement is mailed or

- transmitted; or
- (C) the last installment payment that is later than May 10 of the year immediately following the year in which the tax statement is mailed or transmitted; and
- (2) shall:
- (A) prescribe the form of the petition under subsection (b);
 - (B) determine the information required on the form; and
 - (C) notify the county fiscal body, the county auditor, and the county treasurer of the department's determination on the petition not later than twenty (20) days after receiving the petition.
- (d) Revenue from property taxes paid under this section in the year immediately following the year in which the tax statement is mailed or transmitted under section 8 of this chapter:
- (1) is not considered in the determination of a levy excess under IC 6-1.1-18.5-17 ~~or IC 20-44-3~~ for the year in which the property taxes are paid; and
 - (2) may be:
 - (A) used to repay temporary loans entered into by a political subdivision for; and
 - (B) expended for any other reason by a political subdivision in the year the revenue is received under an appropriation from; the year in which the tax statement is mailed or transmitted under section 8 of this chapter."
- Page 134, between lines 41 and 42, begin a new paragraph and insert:
- "SECTION 198. IC 6-1.1-29-4, AS AMENDED BY P.L.224-2007, SECTION 46, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 4. (a) Except as provided in subsection (b), each ~~county board of tax adjustment (before January 1, 2009) or county board of tax and capital projects review, (after December 31, 2008);~~ except the **county board of tax and capital projects review** for a consolidated city and county and for a county containing a second class city, shall hold its first meeting of each year for the purpose of reviewing budgets, tax rates, and levies on September 22 or on the first business day after September 22, if September 22 is not a business day. The **county board of tax and capital projects review** for a consolidated city and county and for a county containing a second class city shall hold its first meeting of each year for the purpose of reviewing budgets, tax rates, and levies on the first Wednesday following the adoption of city and county budget, tax rate, and tax levy ordinances. The **county board of tax and capital projects review** shall hold the meeting at the office of the county auditor. At the first meeting of each year **conducted to carry out this section**, the **county board of tax and capital projects review** shall elect a chairman and a vice-chairman. After this meeting, the **county board of tax and capital**

1 **projects review** shall continue to meet from day to day at any
 2 convenient place until its business is completed. ~~However, the board~~
 3 ~~must, except as provided in subsection (b), complete its duties on or~~
 4 ~~before the date prescribed in IC 6-1.1-17-9(a).~~

5 (b) This section does not limit the ability of the county board of tax
 6 and capital projects review to meet ~~after December 31, 2008~~, at any
 7 time during a year to carry out its duties under IC 6-1.1-29.5 **or**
 8 **another law.**

9 SECTION 199. IC 6-1.1-29.5-10, AS ADDED BY P.L.224-2007,
 10 SECTION 52, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 11 JULY 1, 2008]: Sec. 10. (a) The fiscal body of a political subdivision
 12 that intends to construct, acquire, or carry out a capital project subject
 13 to this chapter:

14 (1) must submit the plan of the capital project to the review board
 15 in the manner provided by this chapter; and

16 (2) ~~except as provided in section 14 of this chapter~~, may not:

17 (A) begin construction or acquisition of the capital project;

18 (B) enter into contracts for the construction or acquisition of
 19 the capital project;

20 (C) procure supplies necessary for construction or acquisition
 21 of the capital project;

22 (D) issue bonds, notes, or warrants, or otherwise borrow
 23 money for the capital project;

24 (E) enter into a lease or other agreement that would provide
 25 debt service for bonds or other obligations issued by the
 26 political subdivision or another entity to finance the capital
 27 project; or

28 (F) approve any of the actions described in clauses (A) through
 29 (E) by another entity;

30 unless the review board approves the capital project under section
 31 13 of this chapter.

32 (b) If a political subdivision contains territory in more than one (1)
 33 county, the fiscal body of the political subdivision must submit the
 34 proposed capital project to the review board of each of those counties.

35 (c) The fiscal body of a political subdivision may not artificially
 36 divide a capital project into multiple capital projects in order to avoid
 37 the requirements of this section."

38 Page 135, between lines 14 and 15, begin a new paragraph and
 39 insert:

40 "SECTION 201. IC 6-1.1-30-17 IS ADDED TO THE INDIANA
 41 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
 42 [EFFECTIVE JANUARY 1, 2009]: **Sec. 17. (a) Except as provided**
 43 **in subsection (c) and subject to subsection (d), the department of**
 44 **state revenue and the auditor of state shall, when requested by the**
 45 **department of local government finance, withhold a percentage of**
 46 **the distributions of county adjusted gross income tax distributions**

under IC 6-3.5-1.1, county option income tax distributions under IC 6-3.5-6, or county economic development income tax distributions under IC 6-3.5-7 that would otherwise be distributed to the county under the schedule in IC 6-3.5-1.1-10, IC 6-3.5-1.1-21.1, IC 6-3.5-6-16, IC 6-3.5-6-17.3, IC 6-3.5-7-17, and IC 6-3.5-7-17.3, if:

(1) local assessing officials have not provided information to the department of local government finance in a timely manner under IC 4-10-13-5(b);

(2) the county assessor has not transmitted to the department of local government finance by October 1 of the year in which the distribution is scheduled to be made the data for all townships in the county required to be transmitted under IC 6-1.1-4-25;

(3) the county auditor has not paid a bill for services under IC 6-1.1-4-31.5 to the department of local government finance in a timely manner;

(4) the county assessor has not forwarded to the department of local government finance in a timely manner sales disclosure form data under IC 6-1.1-5.5-3;

(5) the county auditor has not transmitted the abstract of the property, assessments, taxes, deductions, and exemptions to the auditor of state in the manner and on the schedule required by IC 6-1.1-5.5-4.7;

(6) the county assessor has not forwarded to the department of local government finance the duplicate copies of all approved exemption applications required to be forwarded by that date under IC 6-1.1-11-8(a);

(7) by the date the distribution is scheduled to be made, the county auditor has not sent a certified statement required to be sent by that date under IC 6-1.1-17-1 to the department of local government finance;

(8) the county does not maintain a certified computer system that meets the requirements of IC 6-1.1-31.5-3.5;

(9) the county auditor has not transmitted the data described in IC 36-2-9-20 to the department of local government finance in the form and on the schedule specified by IC 36-2-9-20;

(10) the county has not established a parcel index numbering system under 50 IAC 12-15-1 in a timely manner; or

(11) a county official has not provided other information to the department of local government finance in a timely manner as required by the department of local government finance.

The percentage to be withheld is the percentage determined by the department of local government finance.

(b) Except as provided in subsection (e), money not distributed for the reasons stated in subsection (a) shall be distributed to the

1 county when the department of local government finance
2 determines that the failure to:

3 (1) provide information; or

4 (2) pay a bill for services;

5 has been corrected.

6 (c) The restrictions on distributions under subsection (a) do not
7 apply if the department of local government finance determines
8 that the failure to:

9 (1) provide information; or

10 (2) pay a bill for services;

11 in a timely manner is justified by unusual circumstances.

12 (d) The department of local government finance shall give the
13 county auditor at least thirty (30) days notice in writing before the
14 department of state revenue or the auditor of state withholds a
15 distribution under subsection (a).

16 (e) Money not distributed for the reason stated in subsection
17 (a)(3) may be deposited in the fund established by
18 IC 6-1.1-5.5-4.7(a). Money deposited under this subsection is not
19 subject to distribution under subsection (b).

20 (f) This subsection applies to a county that will not receive a
21 distribution under IC 6-3.5-1.1, IC 6-3.5-6, or IC 6-3.5-7. At the
22 request of the department of local government finance, an amount
23 permitted to be withheld under subsection (a) may be withheld
24 from any state revenues that would otherwise be distributed to the
25 county or one (1) or more taxing units in the county."

26 Page 154, between lines 39 and 40, begin a new paragraph and
27 insert:

28 "SECTION 232. IC 6-1.1-45-9, AS AMENDED BY P.L.211-2007,
29 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
30 JANUARY 1, 2009]: Sec. 9. (a) Subject to subsection (c), a taxpayer
31 that makes a qualified investment is entitled to a deduction from the
32 assessed value of the taxpayer's enterprise zone property located at the
33 enterprise zone location for which the taxpayer made the qualified
34 investment. The amount of the deduction is equal to the remainder of:

35 (1) the total amount of the assessed value of the taxpayer's
36 enterprise zone property assessed at the enterprise zone location
37 on a particular assessment date; minus

38 (2) the total amount of the base year assessed value for the
39 enterprise zone location.

40 (b) To receive the deduction allowed under subsection (a) for a
41 particular year, a taxpayer must comply with the conditions set forth in
42 this chapter.

43 (c) A taxpayer that makes a qualified investment in an enterprise
44 zone established under IC 5-28-15-11 that is under the jurisdiction of
45 a military base reuse authority board created under IC 36-7-14.5 or
46 IC 36-7-30-3 is entitled to a deduction under this section only if the
47 deduction is approved by the military base reuse authority board.

(d) Except as provided in subsection (c), a taxpayer that makes a qualified investment at an enterprise zone location that is located within an allocation area ~~(as defined by IC 12-19-1.5-1, that is established under:~~

- (1) IC 6-1.1-39;
- (2) IC 8-22-3.5;
- (3) IC 36-7-14;
- (4) IC 36-7-14.5;
- (5) IC 36-7-15.1; or
- (6) IC 36-7-30;

and in which tax increment revenues are collected is entitled to a deduction under this section only if the deduction is approved by the governing body of the allocation area."

Page 166, line 28, after "IC 6-1.1-18.5-17" insert ".".

Page 166, line 28, after "IC 6-1.1-18.7-17" strike "or".

Page 166, line 29, strike "IC 20-44-3."

Page 167, between lines 27 and 28, begin a new paragraph and insert:

"SECTION 248. IC 6-3.5-1.1-15, AS AMENDED BY P.L.224-2007, SECTION 64, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 15. (a) As used in this section, "attributed allocation amount" of a civil taxing unit for a calendar year means the sum of:

- (1) the allocation amount of the civil taxing unit for that calendar year; plus
- (2) the current ad valorem property tax levy of any special taxing district, authority, board, or other entity formed to discharge governmental services or functions on behalf of or ordinarily attributable to the civil taxing unit; plus
- (3) in the case of a county, an amount equal to the property taxes imposed by the county in 1999 for the county's welfare fund and welfare administration fund.

(b) The part of a county's certified distribution that is to be used as certified shares shall be allocated only among the county's civil taxing units. Each civil taxing unit of a county is entitled to receive a certified share during a calendar year in an amount determined in STEP TWO of the following formula:

STEP ONE: Divide:

- (A) the attributed allocation amount of the civil taxing unit during that calendar year; by
- (B) the sum of the attributed allocation amounts of all the civil taxing units of the county during that calendar year.

STEP TWO: Multiply the part of the county's certified distribution that is to be used as certified shares by the STEP ONE amount.

(c) The local government tax control board ~~established by~~

~~IC 6-1.1-18.5-11~~ (before January 1, 2009) or the county board of tax and capital projects review (after December 31, 2008) shall determine the attributed levies of civil taxing units that are entitled to receive certified shares during a calendar year. If the ad valorem property tax levy of any special taxing district, authority, board, or other entity is attributed to another civil taxing unit under subsection (a)(2), then the special taxing district, authority, board, or other entity shall not be treated as having an attributed allocation amount of its own. The local government tax control board (before January 1, 2009) or the county board of tax and capital projects review (after December 31, 2008) shall certify the attributed allocation amounts to the appropriate county auditor. The county auditor shall then allocate the certified shares among the civil taxing units of the auditor's county.

(d) Certified shares received by a civil taxing unit shall be treated as additional revenue for the purpose of fixing its budget for the calendar year during which the certified shares will be received. The certified shares may be allocated to or appropriated for any purpose, including property tax relief or a transfer of funds to another civil taxing unit whose levy was attributed to the civil taxing unit in the determination of its attributed allocation amount."

Page 179, between lines 32 and 33, begin a new paragraph and insert:

"SECTION 254. IC 6-3.5-6-18.5, AS AMENDED BY P.L.234-2005, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 18.5. (a) This section applies to a county containing a consolidated city.

(b) Notwithstanding section 18(e) of this chapter, the distributive shares that each civil taxing unit in a county containing a consolidated city is entitled to receive during a month equals the following:

(1) For the calendar year beginning January 1, 1995, calculate the total amount of revenues that are to be distributed as distributive shares during that month multiplied by the following factor:

Center Township	.0251
Decatur Township	.00217
Franklin Township	.0023
Lawrence Township	.01177
Perry Township	.01130
Pike Township	.01865
Warren Township	.01359
Washington Township	.01346
Wayne Township	.01307
Lawrence-City	.00858
Beech Grove	.00845
Southport	.00025
Speedway	.00722
Indianapolis/Marion County	.86409

(2) Notwithstanding subdivision (1), for the calendar year beginning January 1, 1995, the distributive shares for each civil taxing unit in a county containing a consolidated city shall be not less than the following:

Center Township	\$1,898,145
Decatur Township	\$164,103
Franklin Township	\$173,934
Lawrence Township	\$890,086
Perry Township	\$854,544
Pike Township	\$1,410,375
Warren Township	\$1,027,721
Washington Township	\$1,017,890
Wayne Township	\$988,397
Lawrence-City	\$648,848
Beech Grove	\$639,017
Southport	\$18,906
Speedway	\$546,000

(3) For each year after 1995, calculate the total amount of revenues that are to be distributed as distributive shares during that month as follows:

STEP ONE: Determine the total amount of revenues that were distributed as distributive shares during that month in calendar year 1995.

STEP TWO: Determine the total amount of revenue that the department has certified as distributive shares for that month under section 17 of this chapter for the calendar year.

STEP THREE: Subtract the STEP ONE result from the STEP TWO result.

STEP FOUR: If the STEP THREE result is less than or equal to zero (0), multiply the STEP TWO result by the ratio established under subdivision (1).

STEP FIVE: Determine the ratio of:

(A) the maximum permissible property tax levy under IC 6-1.1-18.5 ~~IC 12-19-7~~, and ~~IC 12-19-7.5~~ for each civil taxing unit for the calendar year in which the month falls, plus, for a county, an amount equal to the property taxes imposed by the county in 1999 for the county's welfare fund and welfare administration fund; divided by

(B) the sum of the maximum permissible property tax levies under IC 6-1.1-18.5 ~~IC 12-19-7~~, and ~~IC 12-19-7.5~~ for all civil taxing units of the county during the calendar year in which the month falls, and an amount equal to the property taxes imposed by the county in 1999 for the county's welfare fund and welfare administration fund.

STEP SIX: If the STEP THREE result is greater than zero (0), the STEP ONE amount shall be distributed by multiplying the

1 STEP ONE amount by the ratio established under subdivision
 2 (1).
 3 STEP SEVEN: For each taxing unit determine the STEP FIVE
 4 ratio multiplied by the STEP TWO amount.
 5 STEP EIGHT: For each civil taxing unit determine the
 6 difference between the STEP SEVEN amount minus the
 7 product of the STEP ONE amount multiplied by the ratio
 8 established under subdivision (1). The STEP THREE excess
 9 shall be distributed as provided in STEP NINE only to the civil
 10 taxing units that have a STEP EIGHT difference greater than
 11 or equal to zero (0).
 12 STEP NINE: For the civil taxing units qualifying for a
 13 distribution under STEP EIGHT, each civil taxing unit's share
 14 equals the STEP THREE excess multiplied by the ratio of:
 15 (A) the maximum permissible property tax levy under
 16 IC 6-1.1-18.5 ~~IC 12-19-7, and IC 12-19-7.5~~ for the
 17 qualifying civil taxing unit during the calendar year in which
 18 the month falls, plus, for a county, an amount equal to the
 19 property taxes imposed by the county in 1999 for the
 20 county's welfare fund and welfare administration fund;
 21 divided by
 22 (B) the sum of the maximum permissible property tax levies
 23 under IC 6-1.1-18.5 ~~IC 12-19-7, and IC 12-19-7.5~~ for all
 24 qualifying civil taxing units of the county during the
 25 calendar year in which the month falls, and an amount equal
 26 to the property taxes imposed by the county in 1999 for the
 27 county's welfare fund and welfare administration fund.".

28 Page 197, delete lines 7 through 42, begin a new paragraph and
 29 insert:

30 **"(b) As used in this subsection, "homestead" means a homestead**
 31 **that is eligible for a standard deduction under IC 6-1.1-12-37.**
 32 Except as provided in sections 15, 23, ~~25~~, 26, and 27 of this chapter,
 33 revenues from the county economic development income tax may be
 34 used as follows:

35 (1) By a county, city, or town for economic development projects,
 36 for paying, notwithstanding any other law, under a written
 37 agreement all or a part of the interest owed by a private developer
 38 or user on a loan extended by a financial institution or other
 39 lender to the developer or user if the proceeds of the loan are or
 40 are to be used to finance an economic development project, for
 41 the retirement of bonds under section 14 of this chapter for
 42 economic development projects, for leases under section 21 of
 43 this chapter, or for leases or bonds entered into or issued prior to
 44 the date the economic development income tax was imposed if
 45 the purpose of the lease or bonds would have qualified as a
 46 purpose under this chapter at the time the lease was entered into

- 1 or the bonds were issued.
- 2 (2) By a county, city, or town for:
- 3 (A) the construction or acquisition of, or remedial action with
- 4 respect to, a capital project for which the unit is empowered to
- 5 issue general obligation bonds or establish a fund under any
- 6 statute listed in IC 6-1.1-18.5-9.8;
- 7 (B) the retirement of bonds issued under any provision of
- 8 Indiana law for a capital project;
- 9 (C) the payment of lease rentals under any statute for a capital
- 10 project;
- 11 (D) contract payments to a nonprofit corporation whose
- 12 primary corporate purpose is to assist government in planning
- 13 and implementing economic development projects;
- 14 (E) operating expenses of a governmental entity that plans or
- 15 implements economic development projects;
- 16 (F) to the extent not otherwise allowed under this chapter,
- 17 funding substance removal or remedial action in a designated
- 18 unit; or
- 19 (G) funding of a revolving fund established under
- 20 IC 5-1-14-14.
- 21 (3) By a county, city, or town for any lawful purpose for which
- 22 money in any of its other funds may be used.
- 23 (4) By a city or county described in IC 36-7.5-2-3(b) for making
- 24 transfers required by IC 36-7.5-4-2. If the county economic
- 25 development income tax rate is increased after April 30, 2005, in
- 26 a county having a population of more than one hundred forty-five
- 27 thousand (145,000) but less than one hundred forty-eight
- 28 thousand (148,000), the first three million five hundred thousand
- 29 dollars (\$3,500,000) of the tax revenue that results each year from
- 30 the tax rate increase shall be used by the county only to make the
- 31 county's transfer required by IC 36-7.5-4-2. The first three million
- 32 five hundred thousand dollars (\$3,500,000) of the tax revenue that
- 33 results each year from the tax rate increase shall be paid by the
- 34 county treasurer to the treasurer of the northwest Indiana regional
- 35 development authority under IC 36-7.5-4-2 before certified
- 36 distributions are made to the county or any cities or towns in the
- 37 county under this chapter from the tax revenue that results each
- 38 year from the tax rate increase. In a county having a population of
- 39 more than one hundred forty-five thousand (145,000) but less
- 40 than one hundred forty-eight thousand (148,000), all of the tax
- 41 revenue that results each year from the tax rate increase that is in
- 42 excess of the first three million five hundred thousand dollars
- 43 (\$3,500,000) that results each year from the tax rate increase must
- 44 be used by the county and cities and towns in the county for
- 45 additional homestead credits under subdivision (5).
- 46 (5) This subdivision applies only in a county having a population

of more than one hundred forty-five thousand (145,000) but less than one hundred forty-eight thousand (148,000). ~~Except as otherwise provided, the procedures and definitions in IC 6-1.1-20.9 apply to this subdivision.~~ All of the tax revenue that results each year from a tax rate increase described in subdivision (4) that is in excess of the first three million five hundred thousand dollars (\$3,500,000) that results each year from the tax rate increase must be used by the county and cities and towns in the county for ~~additional~~ homestead credits under this subdivision. The following apply to ~~additional~~ homestead credits provided under this subdivision:

(A) The ~~additional~~ homestead credits must be applied uniformly to ~~increase the~~ **provide a** homestead credit under ~~IC 6-1.1-20.9~~ for homesteads in the county, city, or town.

(B) The ~~additional~~ homestead credits shall be treated for all purposes as property tax levies. ~~The additional homestead credits do not reduce the basis for determining the state property tax replacement credit under IC 6-1.1-21 or the state homestead credit under IC 6-1.1-20.9.~~

(C) The ~~additional~~ homestead credits shall be applied to the net property taxes due on the homestead after the application of all other assessed value deductions or property tax deductions and credits that apply to the amount owed under IC 6-1.1, **except IC 6-1.1-20.6.**

(D) The department of local government finance shall determine the ~~additional~~ homestead credit percentage for a particular year based on the amount of county economic development income tax revenue that will be used under this subdivision to provide ~~additional~~ homestead credits in that year.

(6) This subdivision applies only in a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000). Except as otherwise provided, the procedures and definitions in IC 6-1.1-20.9 apply to this subdivision. A county or a city or town in the county may use county economic development income tax revenue to provide ~~additional~~ homestead credits in the county, city, or town. The following apply to ~~additional~~ homestead credits provided under this subdivision:

(A) The county, city, or town fiscal body must adopt an ordinance authorizing the ~~additional~~ homestead credits. The ordinance must:

(i) be adopted before September 1 of a year to apply to property taxes first due and payable in the following year; and

(ii) specify the amount of county economic development

- 1 income tax revenue that will be used to provide ~~additional~~
 2 homestead credits in the following year.
- 3 (B) A county, city, or town fiscal body that adopts an
 4 ordinance under this subdivision must forward a copy of the
 5 ordinance to the county auditor and the department of local
 6 government finance not more than thirty (30) days after the
 7 ordinance is adopted.
- 8 (C) The ~~additional~~ homestead credits must be applied
 9 uniformly to ~~increase the~~ **provide a** homestead credit under
 10 ~~IC 6-1.1-20.9~~ for homesteads in the county, city, or town.
- 11 (D) The ~~additional~~ homestead credits shall be treated for all
 12 purposes as property tax levies. ~~The additional homestead~~
 13 ~~credits do not reduce the basis for determining the state~~
 14 ~~property tax replacement credit under IC 6-1.1-21 or the state~~
 15 ~~homestead credit under IC 6-1.1-20.9.~~
- 16 (E) The ~~additional~~ homestead credits shall be applied to the
 17 net property taxes due on the homestead after the application
 18 of all other assessed value deductions or property tax
 19 deductions and credits that apply to the amount owed under
 20 IC 6-1.1, **except IC 6-1.1-20.6.**
- 21 (F) The department of local government finance shall
 22 determine the ~~additional~~ homestead credit percentage for a
 23 particular year based on the amount of county economic
 24 development income tax revenue that will be used under this
 25 subdivision to provide ~~additional~~ homestead credits in that
 26 year.
- 27 (7) For a regional venture capital fund established under section
 28 13.5 of this chapter or a local venture capital fund established
 29 under section 13.6 of this chapter.
- 30 (8) This subdivision applies only to a county:
- 31 (A) that has a population of more than one hundred ten
 32 thousand (110,000) but less than one hundred fifteen thousand
 33 (115,000); and
- 34 (B) in which:
- 35 (i) the county fiscal body has adopted an ordinance under
 36 IC 36-7.5-2-3(e) providing that the county is joining the
 37 northwest Indiana regional development authority; and
- 38 (ii) the fiscal body of the city described in IC 36-7.5-2-3(e)
 39 has adopted an ordinance under IC 36-7.5-2-3(e) providing
 40 that the city is joining the development authority.
- 41 Revenue from the county economic development income tax may
 42 be used by a county or a city described in this subdivision for
 43 making transfers required by IC 36-7.5-4-2. In addition, if the
 44 county economic development income tax rate is increased after
 45 June 30, 2006, in the county, the first three million five hundred
 46 thousand dollars (\$3,500,000) of the tax revenue that results each

year from the tax rate increase shall be used by the county only to make the county's transfer required by IC 36-7.5-4-2. The first three million five hundred thousand dollars (\$3,500,000) of the tax revenue that results each year from the tax rate increase shall be paid by the county treasurer to the treasurer of the northwest Indiana regional development authority under IC 36-7.5-4-2 before certified distributions are made to the county or any cities or towns in the county under this chapter from the tax revenue that results each year from the tax rate increase. All of the tax revenue that results each year from the tax rate increase that is in excess of the first three million five hundred thousand dollars (\$3,500,000) that results each year from the tax rate increase must be used by the county and cities and towns in the county for additional homestead credits under subdivision (9).

(9) This subdivision applies only to a county described in subdivision (8). ~~Except as otherwise provided, the procedures and definitions in IC 6-1.1-20.9 apply to this subdivision.~~ All of the tax revenue that results each year from a tax rate increase described in subdivision (8) that is in excess of the first three million five hundred thousand dollars (\$3,500,000) that results each year from the tax rate increase must be used by the county and cities and towns in the county for ~~additional~~ homestead credits under this subdivision. The following apply to ~~additional~~ homestead credits provided under this subdivision:

(A) The ~~additional~~ homestead credits must be applied uniformly to ~~increase the~~ **provide a** homestead credit under ~~IC 6-1.1-20.9~~ for homesteads in the county, city, or town.

(B) The ~~additional~~ homestead credits shall be treated for all purposes as property tax levies. ~~The additional homestead credits do not reduce the basis for determining the state property tax replacement credit under IC 6-1.1-21 or the state homestead credit under IC 6-1.1-20.9.~~

(C) The ~~additional~~ homestead credits shall be applied to the net property taxes due on the homestead after the application of all other assessed value deductions or property tax deductions and credits that apply to the amount owed under IC 6-1.1, **except IC 6-1.1-20.6.**

(D) The department of local government finance shall determine the ~~additional~~ homestead credit percentage for a particular year based on the amount of county economic development income tax revenue that will be used under this subdivision to provide ~~additional~~ homestead credits in that year."

Delete pages 198 through 200.

Page 201, delete lines 1 through 34.

Page 204, delete lines 31 through 42, begin a new paragraph and

- 1 insert:
- 2 (b) The following definitions apply throughout this section:
- 3 (1) "Adopt" includes amend.
- 4 (2) "Adopting entity" means
- 5 (A) the entity that adopts an ordinance under IC 6-1.1-12-41(f)
- 6 **(repealed); or**
- 7 (B) any other entity that may impose a county economic
- 8 development income tax under section 5 of this chapter.
- 9 (3) "Homestead" refers to tangible property that is eligible for a
- 10 ~~homestead credit standard deduction under IC 6-1.1-20-9.~~
- 11 **IC 6-1.1-12-37.**
- 12 (4) "Residential" refers to the following:
- 13 (A) Real property, a mobile home, and industrialized housing
- 14 that would qualify as a homestead if the taxpayer had filed for
- 15 a ~~homestead credit standard deduction under IC 6-1.1-20-9.~~
- 16 **IC 6-1.1-12-37.**
- 17 (B) Real property not described in clause (A) designed to
- 18 provide units that are regularly used to rent or otherwise
- 19 furnish residential accommodations for periods of thirty (30)
- 20 days or more, regardless of whether the tangible property is
- 21 subject to assessment under rules of the department of local
- 22 government finance that apply to:
- 23 (i) residential property; or
- 24 (ii) commercial property.
- 25 (c) An adopting entity may adopt an ordinance to provide for the use
- 26 of the certified distribution described in section 16(c) of this chapter for
- 27 the purpose provided in subsection (e). An adopting entity that adopts
- 28 an ordinance under this subsection shall use the procedures set forth in
- 29 IC 6-3.5-6 concerning the adoption of an ordinance for the imposition
- 30 of the county option income tax. An ordinance must be adopted under
- 31 this subsection after January 1, 2006, and before June 1, 2006, or, in a
- 32 year following 2006, after March 31 but before August 1 of a calendar
- 33 year. The ordinance may provide for an additional rate under section
- 34 5(p) of this chapter. An ordinance adopted under this subsection:
- 35 (1) first applies to the certified distribution described in section
- 36 16(c) of this chapter made in the later of the calendar year that
- 37 immediately succeeds the calendar year in which the ordinance is
- 38 adopted or calendar year 2007; and
- 39 (2) must specify that the certified distribution must be used to
- 40 provide for one (1) of the following, as determined by the
- 41 adopting entity:
- 42 (A) Uniformly applied ~~increased~~ homestead credits as
- 43 provided in subsection (f).
- 44 (B) Uniformly applied ~~increased~~ residential credits as
- 45 provided in subsection (g).
- 46 (C) Allocated ~~increased~~ homestead credits as provided in

1 subsection (i).

2 (D) Allocated ~~increased~~ residential credits as provided in
3 subsection (j).

4 An ordinance adopted under this subsection may be combined with an
5 ordinance adopted under section 25 of this chapter **(before its repeal)**.

6 (d) If an ordinance is adopted under subsection (c), the percentage
7 of the certified distribution specified in the ordinance for use for the
8 purpose provided in subsection (e) shall be:

9 (1) retained by the county auditor under subsection (k); and

10 (2) used for the purpose provided in subsection (e) instead of the
11 purposes specified in the capital improvement plans adopted
12 under section 15 of this chapter.

13 (e) If an ordinance is adopted under subsection (c), the adopting
14 entity shall use the certified distribution described in section 16(c) of
15 this chapter to ~~increase~~ **provide**:

16 (1) if the ordinance grants a credit described in subsection
17 (c)(2)(A) or (c)(2)(C), ~~the a~~ homestead credit ~~allowed in the~~
18 ~~county under IC 6-1.1-20-9 for a year; for homesteads; or~~

19 (2) if the ordinance grants a credit described in subsection
20 (c)(2)(B) or (c)(2)(D), ~~the a~~ property tax replacement credit
21 ~~allowed in the county under IC 6-1.1-21-5 for a year for the~~
22 ~~residential property;~~

23 to offset the effect on homesteads or residential property, as applicable,
24 in the county resulting from the statewide deduction for inventory
25 under IC 6-1.1-12-42. ~~The amount of an additional residential property~~
26 ~~tax replacement credit granted under this section may not be~~
27 ~~considered in computing the amount of any homestead credit to which~~
28 ~~the residential property may be entitled under IC 6-1.1-20-9 or another~~
29 ~~law other than IC 6-1.1-20-6.~~

30 (f) If the imposing entity specifies the application of uniform
31 ~~increased~~ homestead credits under subsection (c)(2)(A), the county
32 auditor shall, for each calendar year in which ~~an increased a~~ homestead
33 credit percentage is authorized under this section, determine:

34 (1) the amount of the certified distribution that is available to
35 provide ~~an increased a~~ homestead credit percentage for the year;

36 (2) the amount of uniformly applied homestead credits for the
37 year in the county that equals the amount determined under
38 subdivision (1); and

39 (3) the ~~increased~~ percentage of homestead credit that equates to
40 the amount of homestead credits determined under subdivision
41 (2).

42 (g) If the imposing entity specifies the application of uniform
43 ~~increased~~ residential credits under subsection (c)(2)(B), the county
44 auditor shall determine for each calendar year in which ~~an increased a~~
45 homestead credit percentage is authorized under this section:

46 (1) the amount of the certified distribution that is available to

1 provide ~~an increased~~ a residential property tax replacement credit
2 percentage for the year;

3 (2) the amount of uniformly applied residential property tax
4 replacement credits for the year in the county that equals the
5 amount determined under subdivision (1); and

6 (3) the ~~increased~~ percentage of residential property tax
7 replacement credit that equates to the amount of residential
8 property tax replacement credits determined under subdivision
9 (2).

10 (h) The ~~increased~~ percentage of homestead credit determined by the
11 county auditor under subsection (f) or the ~~increased~~ percentage of
12 residential property tax replacement credit determined by the county
13 auditor under subsection (g) applies uniformly in the county in the
14 calendar year for which the ~~increased~~ percentage is determined.

15 (i) If the imposing entity specifies the application of allocated
16 ~~increased~~ homestead credits under subsection (c)(2)(C), the county
17 auditor shall, for each calendar year in which ~~an increased~~ a homestead
18 credit is authorized under this section, determine:

19 (1) the amount of the certified distribution that is available to
20 provide ~~an increased~~ a homestead credit for the year; and

21 (2) except as provided in subsection (l), ~~an increased~~ a percentage
22 of homestead credit for each taxing district in the county that
23 allocates to the taxing district an amount of ~~increased~~ homestead
24 credits that bears the same proportion to the amount determined
25 under subdivision (1) that the amount of inventory assessed value
26 deducted under IC 6-1.1-12-42 in the taxing district for the
27 immediately preceding year's assessment date bears to the total
28 inventory assessed value deducted under IC 6-1.1-12-42 in the
29 county for the immediately preceding year's assessment date.

30 (j) If the imposing entity specifies the application of allocated
31 ~~increased~~ residential property tax replacement credits under subsection
32 (c)(2)(D), the county auditor shall determine for each calendar year in
33 which ~~an increased~~ a residential property tax replacement credit is
34 authorized under this section:

35 (1) the amount of the certified distribution that is available to
36 provide ~~an increased~~ a residential property tax replacement credit
37 for the year; and

38 (2) except as provided in subsection (l), ~~an increased~~ a percentage
39 of residential property tax replacement credit for each taxing
40 district in the county that allocates to the taxing district an amount
41 of ~~increased~~ residential property tax replacement credits that
42 bears the same proportion to the amount determined under
43 subdivision (1) that the amount of inventory assessed value
44 deducted under IC 6-1.1-12-42 in the taxing district for the
45 immediately preceding year's assessment date bears to the total
46 inventory assessed value deducted under IC 6-1.1-12-42 in the

1 county for the immediately preceding year's assessment date.

2 (k) The county auditor shall retain from the payments of the county's
3 certified distribution an amount equal to the revenue lost, if any, due to
4 the ~~increase of the~~ homestead credit or residential property tax
5 replacement credit within the county. The money shall be distributed
6 to the civil taxing units and school corporations of the county:

7 (1) as if the money were from property tax collections; and

8 (2) in such a manner that no civil taxing unit or school
9 corporation will suffer a net revenue loss because of the
10 allowance of ~~an increased~~ a homestead credit or residential
11 property tax replacement credit.

12 (l) Subject to the approval of the imposing entity, the county auditor
13 may adjust the ~~increased~~ percentage of:

14 (1) homestead credit determined under subsection (i)(2) if the
15 county auditor determines that the adjustment is necessary to
16 achieve an equitable reduction of property taxes among the
17 homesteads in the county; or

18 (2) residential property tax replacement credit determined under
19 subsection (j)(2) if the county auditor determines that the
20 adjustment is necessary to achieve an equitable reduction of
21 property taxes among the residential property in the county.".

22 Delete pages 205 through 207.

23 Page 208, delete lines 1 through 18.

24 Page 213, between lines 25 and 26, begin a new paragraph and
25 insert:

26 "SECTION 267. IC 6-8.1-1-1, AS AMENDED BY P.L.233-2007,
27 SECTION 23, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
28 JANUARY 1, 2009]: Sec. 1. "Listed taxes" or "taxes" includes only the
29 pari-mutuel taxes (IC 4-31-9-3 through IC 4-31-9-5); the riverboat
30 admissions tax (IC 4-33-12); the riverboat wagering tax (IC 4-33-13);
31 the slot machine wagering tax (IC 4-35-8); the gross income tax
32 (IC 6-2.1) (repealed); the utility receipts and utility services use taxes
33 (IC 6-2.3); the state gross retail and use taxes (IC 6-2.5); the adjusted
34 gross income tax (IC 6-3); the supplemental net income tax (IC 6-3-8)
35 (repealed); the county adjusted gross income tax (IC 6-3.5-1.1); the
36 county option income tax (IC 6-3.5-6); the county economic
37 development income tax (IC 6-3.5-7); ~~the municipal option income tax~~
38 ~~(IC 6-3.5-8)~~; the auto rental excise tax (IC 6-6-9); the financial
39 institutions tax (IC 6-5.5); the gasoline tax (IC 6-6-1.1); the alternative
40 fuel permit fee (IC 6-6-2.1); the special fuel tax (IC 6-6-2.5); the motor
41 carrier fuel tax (IC 6-6-4.1); a motor fuel tax collected under a
42 reciprocal agreement under IC 6-8.1-3; the motor vehicle excise tax
43 (IC 6-6-5); the commercial vehicle excise tax (IC 6-6-5.5); the
44 hazardous waste disposal tax (IC 6-6-6.6); the cigarette tax (IC 6-7-1);
45 the beer excise tax (IC 7.1-4-2); the liquor excise tax (IC 7.1-4-3); the
46 wine excise tax (IC 7.1-4-4); the hard cider excise tax (IC 7.1-4-4.5);

the malt excise tax (IC 7.1-4-5); the petroleum severance tax (IC 6-8-1); the various innkeeper's taxes (IC 6-9); the various food and beverage taxes (IC 6-9); the county admissions tax (IC 6-9-13 and IC 6-9-28); the oil inspection fee (IC 16-44-2); the emergency and hazardous chemical inventory form fee (IC 6-6-10); the penalties assessed for oversize vehicles (IC 9-20-3 and IC 9-30); the fees and penalties assessed for overweight vehicles (IC 9-20-4 and IC 9-30); the underground storage tank fee (IC 13-23); the solid waste management fee (IC 13-20-22); and any other tax or fee that the department is required to collect or administer."

Page 215, after line 42, begin a new paragraph and insert:

"SECTION 269. IC 12-7-2-32, AS AMENDED BY P.L.145-2006, SECTION 41, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 32. "Child welfare services", for purposes of the following statutes, ~~means the services for children prescribed in IC 31-26-3-1.~~ **has the meaning set forth in IC 31-9-2-19.5:**

(1) IC 12-13.

(2) IC 12-14.

(3) IC 12-15.

~~(4) IC 12-19.~~

SECTION 270. IC 12-7-2-45 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 45. "County office" refers to a ~~county~~ **local** office of ~~the division of family and children resources.~~

SECTION 271. IC 12-7-2-46, AS AMENDED BY P.L.145-2006, SECTION 42, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 46. "County director" refers to a director of a ~~county local office or a director of a district office~~ of the division of family resources. ~~or the department of child services.~~

SECTION 272. IC 12-7-2-57.5, AS AMENDED BY P.L.234-2005, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 57.5. ~~(a)~~ "Department", for purposes of IC 12-13-14, has the meaning set forth in IC 12-13-14-1.

~~(b) "Department", for purposes of IC 12-19, refers to the department of child services.~~

~~(c) "Department", for purposes of IC 12-20, refers to the department of local government finance established by IC 6-1.1-30-1.1.~~

SECTION 273. IC 12-7-2-64, AS AMENDED BY P.L.1-2007, SECTION 107, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 64. "Director" refers to the following:

(1) With respect to a particular division, the director of the division.

(2) With respect to a particular state institution, the director who has administrative control of and responsibility for the state institution.

(3) For purposes of IC 12-10-15, the term refers to the director of the division of aging.

~~(4) For purposes of IC 12-19-5, the term refers to the director of the department of child services established by IC 31-25-1-1.~~

~~(5)~~ (4) For purposes of IC 12-25, the term refers to the director of the division of mental health and addiction.

~~(6)~~ (5) For purposes of IC 12-26, the term:

(A) refers to the director who has administrative control of and responsibility for the appropriate state institution; and

(B) includes the director's designee.

~~(7)~~ (6) If subdivisions (1) through ~~(6)~~ (5) do not apply, the term refers to the director of any of the divisions.

SECTION 274. IC 12-7-2-91 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 91. "Fund" means the following:

(1) For purposes of IC 12-12-1-9, the fund described in IC 12-12-1-9.

~~(2) For purposes of IC 12-13-8, the meaning set forth in IC 12-13-8-1.~~

~~(3)~~ (2) For purposes of IC 12-15-20, the meaning set forth in IC 12-15-20-1.

~~(4)~~ (3) For purposes of IC 12-17-12, the meaning set forth in IC 12-17-12-4.

~~(5)~~ (4) For purposes of IC 12-17.6, the meaning set forth in IC 12-17.6-1-3.

~~(6)~~ (5) For purposes of IC 12-18-4, the meaning set forth in IC 12-18-4-1.

~~(7)~~ (6) For purposes of IC 12-18-5, the meaning set forth in IC 12-18-5-1.

~~(8) For purposes of IC 12-19-7, the meaning set forth in IC 12-19-7-2.~~

~~(9)~~ (7) For purposes of IC 12-23-2, the meaning set forth in IC 12-23-2-1.

~~(10)~~ (8) For purposes of IC 12-23-18, the meaning set forth in IC 12-23-18-4.

~~(11)~~ (9) For purposes of IC 12-24-6, the meaning set forth in IC 12-24-6-1.

~~(12)~~ (10) For purposes of IC 12-24-14, the meaning set forth in IC 12-24-14-1.

~~(13)~~ (11) For purposes of IC 12-30-7, the meaning set forth in IC 12-30-7-3.

SECTION 275. IC 12-7-2-124.6 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: **Sec. 124.6. "Local director" refers to a director of a local office of the division of family resources.**

SECTION 276. IC 12-7-2-124.8 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: **Sec. 124.8. "Local office" refers to a county or district office of the division of family resources.**

SECTION 277. IC 12-8-10-1, AS AMENDED BY P.L.1-2007, SECTION 112, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. This chapter applies only to the indicated money of the following state agencies to the extent that the money is used by the agency to obtain services from grantee agencies to carry out the program functions of the agency:

(1) Money appropriated or allocated to a state agency from money received by the state under the federal Social Services Block Grant Act (42 U.S.C. 1397 et seq.).

(2) The division of aging, except this chapter does not apply to money expended under the following:

(A) The following statutes, unless application of this chapter is required by another subdivision of this section:

(i) IC 12-10-6.

(ii) IC 12-10-12.

(B) Epilepsy services.

(3) The division of family resources, for money expended under the following programs:

(A) The child development associate scholarship program.

(B) The dependent care program.

(C) Migrant day care.

~~(D) The youth services bureau.~~

~~(E) The project safe program.~~

~~(F) (D)~~ The commodities program.

~~(G) (E)~~ The migrant nutrition program.

~~(H) (F)~~ Any emergency shelter program.

~~(I) (G)~~ The energy weatherization program.

~~(J) (H)~~ Programs for individuals with developmental disabilities.

(4) The state department of health, for money expended under the following statutes:

(A) IC 16-19-10.

(B) IC 16-38-3.

(5) The group.

(6) All state agencies, for any other money expended for the purchase of services if all the following apply:

(A) The purchases are made under a contract between the state agency and the office of the secretary.

(B) The contract includes a requirement that the office of the secretary perform the duties and exercise the powers described in this chapter.

(C) The contract is approved by the budget agency.

(7) The division of mental health and addiction.

SECTION 278. IC 12-13-5-5, AS AMENDED BY P.L.234-2005, SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 5. (a) Each county auditor shall keep records and make reports relating to the county welfare fund (before July 1, 2001), the family and children's fund (**before January 1, 2009**), and other financial transactions as required under IC 12-13 through IC 12-19 and as required by the division. ~~or the department of child services.~~

(b) All records provided for in IC 12-13 through IC 12-19 shall be kept, prepared, and submitted in the form required by the division or the department of child services and the state board of accounts.

SECTION 279. IC 12-13-7-12, AS AMENDED BY P.L.234-2005, SECTION 26, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 12. (a) The division ~~and the department of child services~~ shall do the following:

(1) Prepare and submit to the state board of accounts for approval forms and records for assistance, receipts, disbursements, advancements, transfers, and other financial transactions necessary to administer IC 12-13 through IC 12-19.

(2) Disclose financial transactions connected with subdivision (1).

(b) Upon the approval and adoption by the state board of accounts, the division ~~and the department of child services~~ shall prescribe the forms, records, and method of accounting for all counties.

SECTION 280. IC 12-13-7-17 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 17. The part of the care and maintenance of the inmates of the Plainfield Juvenile Correctional Facility and the Indianapolis Juvenile Correctional Facility that under law is to be charged back to the counties shall be paid from the county general fund and not the ~~county state~~ family and children's fund, unless otherwise provided by law.

SECTION 281. IC 12-14-25-9, AS AMENDED BY P.L.145-2006, SECTION 81, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 9. ~~(a)~~ The codirectors of the election division shall notify the division of family resources ~~and the department of child services~~ of the following:

(1) The scheduled date of each primary, general, municipal, and special election.

(2) The jurisdiction in which the election will be held.

SECTION 282. IC 12-15-1.5-8, AS AMENDED BY P.L.145-2006, SECTION 85, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 8. ~~(a)~~ The codirectors of the election division shall provide the division of family resources ~~and the department of child services~~ with a list of the current addresses and telephone numbers of the offices of the circuit court clerk or board of registration in each county. The division of family resources ~~and the department of~~

~~child services~~ shall promptly forward the list and each revision of the list to each ~~county~~ **local** office.

(b) The codirectors shall provide the division of family resources and the ~~department of child services~~ with pre-addressed packets for county offices to transmit applications under section 6(1) or 6(2) of this chapter.

SECTION 283. IC 12-15-2-16, AS AMENDED BY P.L.145-2006, SECTION 86, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 16. An individual:

- (1) who is less than eighteen (18) years of age;
- (2) who is described in 42 U.S.C. 1396a(a)(10)(A)(ii); and
- (3) who is:
 - (A) a child in need of services (as defined in IC 31-34-1);
 - (B) a child placed in the custody of the department of child services ~~or a county office~~ under IC 31-35-6-1 (or IC 31-6-5-5 before its repeal); or
 - (C) a child placed under the supervision or in the custody of the department of child services ~~or a county office~~ by an order of the court;

is eligible to receive Medicaid.

SECTION 284. IC 12-19-1-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. ~~A county~~ **The division shall establish local office offices** of family and children is ~~established resources~~ in each county ~~or district designated by the division.~~

SECTION 285. IC 12-19-1-2, AS AMENDED BY P.L.138-2007, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) The director of the ~~department of child services~~ **division** shall appoint a ~~county local~~ director ~~in~~ **for** each ~~county~~.

(b) The director of the department of child services shall appoint each county director:

- (1) ~~solely on the basis of merit; and~~
- (2) ~~from eligible lists established by the state personnel department: local office.~~

(c) ~~Each county~~ **(b) A local** director must be a citizen of the United States.

SECTION 286. IC 12-19-1-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. The ~~county local~~ director is the executive and administrative officer of the ~~county local~~ office.

SECTION 287. IC 12-19-1-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) A ~~county~~ **local** director is entitled to receive as compensation for the ~~county local~~ director's services an amount determined by the division that is within:

- (1) the lawfully established appropriations; and

(2) the salary ranges of the pay plan adopted by the state personnel department and approved by the budget committee.

(b) Compensation paid to a **county local** director shall be paid in the same manner that compensation is paid to other state employees.

SECTION 288. IC 12-19-1-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) In addition to the compensation paid under this article, a **county local** director may receive for each mile necessarily traveled in the discharge of the **county local** director's duties the same amount per mile that other state employees receive.

(b) A **county local** director is also entitled to a per diem for lodging and meal expenses if the **county local** director's official duties require the **county local** director to travel outside of the county **where the local** director's **county permanent office is located**. The per diem for a **county local** director's lodging and meals shall be paid at the rate set by law for other state employees.

(c) ~~An amount to be paid under this section for traveling expenses or for a per diem for lodging and meals shall be paid only if the amount has been made available by appropriation.~~

SECTION 289. IC 12-19-1-7, AS AMENDED BY P.L.145-2006, SECTION 107, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7. (a) The **county local** director shall appoint from eligible lists established by the state personnel department the number of assistants necessary to

~~(1) administer the welfare activities within the county or district that are administered by the division under IC 12-13 through IC 12-19 or by an administrative rule, with the approval of the director of the division. or~~

~~(2) administer the child services (as defined in IC 12-19-7-1) and child welfare activities within the county that are the responsibility of the department under IC 12-13 through IC 12-19 and IC 31-25 through IC 31-40 or by an administrative rule, with the approval of the director of the department.~~

(b) The

~~(1) division, for personnel performing activities described in subsection (a)(1);~~

~~(2) department, for personnel performing activities described in subsection (a)(2); or~~

~~(3) division and the department jointly for personnel performing activities in both subsection (a)(1) and (a)(2);~~

(a), shall determine the compensation of the assistants within the salary ranges of the pay plan adopted by the state personnel department and approved by the budget agency, with the advice of the budget committee, and within lawfully established appropriations.

SECTION 290. IC 12-19-1-8, AS AMENDED BY P.L.234-2005, SECTION 44, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

UPON PASSAGE]: Sec. 8. ~~(a) Except as provided in subsection (b),~~
 The costs of personal services in the administration of a ~~county local~~
 office's duties ~~under this article if the employment is necessary for the~~
 administration of the county office's duties imposed upon the county
 office by this article and rules prescribed by the division or the
 department shall be paid by the following:

~~(1) the division, for activities described in section 7(a)(1)~~ **7(a)** of
 this chapter

~~(2) The department, for activities described in section 7(a)(2) of~~
 this chapter.

~~(b) The division and the department shall negotiate and agree to the~~
 payment of personnel services within the administration of a county
 office for activities that qualify under both section 7(a)(1) and 7(a)(2)
 of this chapter. **shall be paid by the division.**

SECTION 291. IC 12-19-1-9 IS AMENDED TO READ AS
 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9. (a) The division
 shall provide the necessary facilities to house the ~~county local~~ office.

(b) The division shall pay for the costs of the facilities, supplies, and
 equipment needed by each ~~county local~~ office. ~~including the transfer~~
 to the county that is required by ~~IC 12-13-5~~.

SECTION 292. IC 12-19-1-10, AS AMENDED BY P.L.234-2005,
 SECTION 45, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 UPON PASSAGE]: Sec. 10. ~~(a)~~ Subject to the rules adopted by the
 director of the division, a ~~county local~~ office shall administer the
 following:

(1) Assistance to dependent children in the homes of the
 dependent children.

(2) Assistance and services to elderly persons.

(3) Assistance to persons with disabilities.

(4) Care and treatment of the following persons, **other than**
persons for whom the department of child services is
providing services under IC 31:

(A) Dependent children.

(B) Children with disabilities.

~~(5) Provision of family preservation services.~~

~~(6)~~ **(5)** Any other welfare activities that are delegated to the
~~county local~~ office by the division, ~~under this chapter~~, including
 services concerning assistance to the blind.

SECTION 293. IC 12-19-1-13 IS AMENDED TO READ AS
 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 13. (a) A ~~county~~
~~local~~ office may sue and be sued under the name of "The ~~County~~ Office
 of Family ~~and Children Resources~~ of _____" **(Insert:**
"County" or "District", as appropriate).

(b) The ~~county local~~ office has all other rights and powers and shall
 perform all other duties necessary to administer this chapter.

(c) A suit brought against a ~~county local~~ office may be filed in ~~the~~

1 following:

2 ~~(1) The any circuit or superior~~ court with jurisdiction in the
3 ~~county.~~ **area served by the local office.**

4 ~~(2) A superior court or any other court of the county.~~

5 (d) A notice or summons in a suit brought against the ~~county local~~
6 office must be served on the ~~county local~~ director. It is not required to
7 name the individual employees of the ~~county local~~ office as either
8 plaintiff or defendant.

9 SECTION 294. IC 12-19-1-15 IS AMENDED TO READ AS
10 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 15. (a) A ~~county~~
11 **local** office may receive and administer a gift, devise, or bequest of
12 personal property, including the income from real property, that is

13 ~~(1) to or for the benefit of a home or an institution in which~~
14 ~~dependent or neglected children are cared for under the~~
15 ~~supervision of the county local office; or~~

16 ~~(2) for the benefit of children who are committed to the care or~~
17 ~~supervision of the county person receiving payments or services~~
18 **from the local office.**

19 (b) A ~~county local~~ office may invest or reinvest money received
20 under this section in the same types of securities in which life
21 insurance companies are authorized by law to invest the money of the
22 life insurance companies.

23 (c) The following shall be kept in a special fund and may not be
24 commingled with any other fund or with money received from taxation:

25 (1) All money received by the ~~county local~~ office under this
26 section.

27 (2) All money, proceeds, or income realized from real property or
28 other investments.

29 (d) Subject to the approval of the judge or the court of the county
30 having probate jurisdiction, money described in subsection (c)(1) or
31 (c)(2) may be expended by the ~~county local~~ office in any manner
32 consistent with the purposes of the fund's creation and with the
33 intention of the donor.

34 SECTION 295. IC 12-19-1-16 IS AMENDED TO READ AS
35 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 16. (a) This
36 section does not apply to money ~~received to reimburse the county~~
37 ~~family and children's fund for expenditures made from the~~
38 ~~appropriations of the county office.~~ **appropriated by the general**
39 **assembly, including any federal grant.**

40 (b) A ~~county local~~ office may receive and administer money
41 available to or for the benefit of a person receiving payments or
42 services from the ~~county local~~ office. The following applies to all
43 money received under this section:

44 (1) The money shall be kept in a special fund known as the ~~county~~
45 **local family and children resources** trust clearance fund and may
46 not be commingled with any other fund or with money received

1 from taxation.

2 (2) The money may be expended by the **county local** office in any
3 manner consistent with the following:

4 (A) The purpose of the **county local** family and children
5 **resources** trust clearance fund or with the intention of the
6 donor of the money.

7 (B) Indiana law.

8 SECTION 296. IC 12-19-1-18, AS AMENDED BY P.L.145-2006,
9 SECTION 108, IS AMENDED TO READ AS FOLLOWS
10 [EFFECTIVE UPON PASSAGE]: Sec. 18. (a) After petition to and
11 with the approval of the judge of ~~the~~ **a circuit court of the county**
12 **where an applicant for or recipient of public assistance resides (or,**
13 **if a superior court has probate jurisdiction in the county, the**
14 **superior court that has probate jurisdiction where the recipient of**
15 **public assistance resides),** a **county local** office may take the actions
16 described in subsection (b) if:

17 (1) an applicant for public assistance is physically or mentally
18 incapable of completing an application for assistance; or

19 (2) a recipient of public assistance:

20 (A) is incapable of managing the recipient's affairs; or

21 (B) refuses to:

22 (i) take care of the recipient's money properly; or

23 (ii) comply with the director of the division's rules and
24 policies.

25 (b) If the conditions of subsection (a) are satisfied, the **county local**
26 office may designate a responsible person to do the following:

27 (1) Act for the applicant or recipient.

28 (2) Receive on behalf of the recipient the assistance the recipient
29 is eligible to receive under any of the following:

30 (A) This chapter.

31 (B) IC 12-10-6.

32 (C) IC 12-14-1 through IC 12-14-9.5.

33 (D) IC 12-14-13 through IC 12-14-19.

34 (E) IC 12-15.

35 (F) IC 16-35-2.

36 (c) A fee for services provided under this section may be paid to the
37 responsible person in an amount not to exceed ten dollars (\$10) each
38 month. The fee may be allowed:

39 (1) in the monthly assistance award; or

40 (2) by vendor payment if the fee would cause the amount of
41 assistance to be increased beyond the maximum amount permitted
42 by statute.

43 SECTION 297. IC 12-19-1-19 IS AMENDED TO READ AS
44 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 19. (a) A
45 responsible person approved under section 18 of this chapter preferably
46 must be a relative or friend of good moral character whose interest is

limited to the well-being of the applicant or recipient. However, the responsible person may not be any of the following:

- (1) An employee of the ~~county~~ **local** office.
- (2) The superintendent of a county home.
- (3) A person directly or indirectly financially connected with a health facility or an institution giving care to the recipient.
- (4) A person directly or indirectly connected with the operation of a health facility or an institution giving care to the recipient.

(b) Costs may not be charged by a person or public official in proceedings concerning the appointment of a responsible person under section 18 of this chapter."

Page 216, between lines 16 and 17, begin a new paragraph and insert:

"SECTION 298. IC 12-19-1-22 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 22. ~~(a) All bonds issued and loans made under IC 12-1-11 (before its repeal) or this article before January 1, 2000, that are payable from property taxes imposed under IC 12-19-3 (before its repeal):~~

~~(1) are direct general obligations of the county issuing the bonds or making the loans; and~~

~~(2) are payable out of unlimited ad valorem taxes that shall be levied and collected on all taxable property within the county.~~

~~(b)~~ Each official and body responsible for the levying of taxes for the county must ensure that sufficient levies are made to meet the principal and interest on ~~the~~ **all bonds issued and loans made under this article before January 1, 2009**, at the time fixed for the payment of the principal and interest, without regard to any other statute. If an official or a body fails or refuses to make or allow a sufficient levy required by this section, the bonds and loans and the interest on the bonds and loans shall be payable out of the county general fund without appropriation.

SECTION 299. IC 12-19-2-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. Unless expressly prohibited by law, the premiums on all bonds that an officer or other person is required to execute under this article shall be paid in the same manner as other expenses of the division ~~or county office~~ are paid out of the appropriation for fixed charges.

SECTION 300. IC 12-19-2-2, AS AMENDED BY P.L.234-2005, SECTION 46, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. The following are not personally liable, except to the state, for an official act done or omitted in connection with the performance of duties under this article:

- (1) The director of the division.
- (2) Officers and employees of the division.
- (3) Officers and employees of a **county local** office.
- ~~(4) The director of the department of child services.~~

1 ~~(5) Officers and employees of the department of child services;~~

2 SECTION 301. IC 12-19-2-3, AS AMENDED BY P.L.234-2005,
3 SECTION 47, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
4 UPON PASSAGE]: Sec. 3. An officer or employee of:

5 (1) the division; **or**

6 (2) a **county local** office; ~~or~~

7 ~~(3) the department of child services;~~

8 may administer oaths and affirmations required to carry out the
9 purposes of this article or of any other statute imposing duties on the
10 **county local** office.

11 SECTION 302. IC 12-19-2-5 IS AMENDED TO READ AS
12 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. A person who is
13 related to a **county local** director in the following manner is not eligible
14 for a position in the **county local** office:

15 (1) Husband or wife.

16 (2) Father or mother.

17 (3) Son or daughter.

18 (4) Son-in-law or daughter-in-law.

19 (5) Brother or sister.

20 (6) Niece or nephew.

21 (7) Uncle or aunt.

22 SECTION 303. IC 12-19-2-6 IS AMENDED TO READ AS
23 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. A person
24 prohibited under section 5 of this chapter from employment with a
25 **county local** office may not receive compensation for services
26 performed for the **county local** office from appropriations made by the
27 state or by the county.

28 SECTION 304. IC 12-24-13-5, AS AMENDED BY P.L.1-2005,
29 SECTION 140, IS AMENDED TO READ AS FOLLOWS
30 [EFFECTIVE JANUARY 1, 2009]: Sec. 5. (a) **Except as provided in**
31 **section 6 of this chapter**, whenever placement of a child with a
32 disability (as defined in IC 20-35-1-2) in a state institution is necessary
33 for the provision of special education for that child, the cost of the
34 child's education program, nonmedical care, and room and board shall
35 be paid by the division rather than by the child's parents, guardian, or
36 other responsible party.

37 (b) The child's parents, guardian, or other responsible party shall pay
38 the cost of any transportation not required by the child's individualized
39 education program (as defined in IC 20-18-2-9). The school
40 corporation in which the child has legal settlement (as determined
41 under IC 20-26-1-1) shall pay the cost of transportation required by the
42 student's individualized education program under IC 20-35-8-2.
43 However, this section does not relieve an insurer or other third party
44 from an otherwise valid obligation to provide or pay for the services
45 provided to the child.

46 (c) The Indiana state board of education and the divisions shall

1 jointly establish a procedure and standards for determining when
2 placement in a state institution is necessary for the provision of special
3 education for a child.

4 SECTION 305. IC 12-24-13-6, AS AMENDED BY P.L.145-2006,
5 SECTION 125, IS AMENDED TO READ AS FOLLOWS
6 [EFFECTIVE JANUARY 1, 2009]: Sec. 6. The department of child
7 services ~~or a county office~~ is responsible for the cost of treatment or
8 maintenance of a child under the department's ~~or county office's~~
9 custody or supervision who is placed **by or with the consent of the**
10 **department of child services** in a state institution. ~~only if the cost is~~
11 ~~reimbursable under the state Medicaid program under IC 12-15.~~

12 SECTION 306. IC 12-26-10-4, AS AMENDED BY P.L.145-2006,
13 SECTION 126, IS AMENDED TO READ AS FOLLOWS
14 [EFFECTIVE JANUARY 1, 2009]: Sec. 4. If the comfort and the care
15 of an individual are not otherwise provided:

- 16 (1) from the individual's estate;
- 17 (2) by the individual's relatives or friends; or
- 18 (3) through financial assistance from the department of child
19 services ~~or the division of family resources; or a county office;~~

20 the court may order the assistance furnished and paid for out of the
21 general fund of the county.

22 SECTION 307. IC 13-21-3-16, AS AMENDED BY P.L.189-2005,
23 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
24 JANUARY 1, 2009]: Sec. 16. (a) The requirements of this section:

- 25 (1) are in addition to the requirements set forth in
26 ~~IC 6-1.1-18.5-7(b); IC 6-1.1-17 and IC 6-1.1-18.5;~~ and
- 27 (2) do not apply to a district that:
 - 28 (A) owns a landfill;
 - 29 (B) will use property tax revenue to:
 - 30 (i) construct a new landfill cell; or
 - 31 (ii) close a landfill cell;
 - 32 at the landfill; and
 - 33 (C) has received approval from the county fiscal body of the
34 county in which the landfill is located to construct or close the
35 landfill cell.

36 (b) To be eligible to include within the district's budget for the
37 following year tax revenue derived from the imposition of a property
38 tax, the first year that a property tax will be imposed and any
39 subsequent year in which the proposed tax levy will increase by five
40 percent (5%) or more, a board must present identical resolutions to
41 each of the county fiscal bodies within the district seeking approval for
42 the use of property tax revenue within the district. The resolution must
43 state the proposed property tax levy and the proposed use of the
44 revenue. The resolution must be stated so that:

- 45 (1) a "yes" vote indicates approval of the levy and the proposed
46 use of property tax revenue within the district; and

1 (2) a "no" vote indicates disapproval of the levy and the proposed
2 use of property tax revenue within the district.

3 (c) For a resolution described in subsection (b) to be approved by
4 the county fiscal body:

5 (1) the county fiscal body must record the vote taken on the
6 resolution under subsection (b) before May 1 of the year in which
7 the vote was taken; and

8 (2) the recorded vote must indicate approval of the use of property
9 tax revenue within the district.

10 (d) If all of the county fiscal bodies within a district do not record
11 the approval described in subsection (c) before May 1 of the year in
12 which the vote under subsection (b) was taken, the board may not:

13 (1) impose; or

14 (2) include within the budget of the board;

15 a property tax for the year following the year in which the vote was
16 taken.

17 (e) Notwithstanding subsection (d), after the first year a tax is
18 imposed under this section, the resolution required by subsection (b)
19 for a district that is located in more than two (2) counties need only be
20 approved by a majority of the county fiscal bodies for the counties in
21 which the district is located.

22 (f) A district may not issue bonds to be repaid, directly or indirectly,
23 with money or property tax revenue of the district until a majority of
24 the members of each of the county fiscal bodies within a district passes
25 a resolution approving the bond issue."

26 Page 216, between lines 31 and 32, begin a new paragraph and
27 insert:

28 "SECTION 309. IC 16-33-4-17.5 IS AMENDED TO READ AS
29 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 17.5. (a) In the
30 case of a child who is:

31 ~~(1) admitted to the home from another county; and~~

32 ~~(2) (1) adjudicated to be a delinquent child or child in need of~~
33 ~~services by the a juvenile court; in the county where the home is~~
34 ~~located; and~~

35 **(2) placed by or with the consent of the department of child**
36 **services in the home;**

37 ~~the juvenile court may order the county office of family and children~~
38 ~~of the child's county of residence before the child's admission to the~~
39 ~~home to department of child services shall reimburse the cost of~~
40 ~~services ordered by the juvenile court; provided to the child, including~~
41 ~~related transportation costs, and any cost incurred by the a county~~
42 ~~where the home is located to transport or detain the child before the~~
43 ~~order is issued. child is adjudicated to be a delinquent child or child~~
44 ~~in need of services.~~

45 ~~(b) A county office of family and children ordered to The~~
46 ~~department of child services shall reimburse and pay costs under this~~

1 section ~~shall pay the amount ordered~~ from the ~~county state~~ family and
2 children's fund.

3 (c) The ~~county office of family and children~~ **department of child**
4 **services** may require the parent or guardian of the child, other than a
5 parent, guardian, or custodian associated with the home, to reimburse
6 the ~~county state~~ family and children's fund for an amount paid under
7 this section.

8 (d) A child who is admitted to the home does not become a resident
9 of the county where the home is located.

10 (e) When an unemancipated child is released from the home, the
11 ~~county office of family and children for the child's county of residence~~
12 ~~before entering the home~~ **department of child services** is responsible
13 for transporting the child to the parent or guardian of the child. If a
14 parent or guardian does not exist for an unemancipated child released
15 from the home, the ~~county office of family and children of the child's~~
16 ~~county of residence before entering the home~~ **department of child**
17 **services** shall obtain custody of the child.

18 SECTION 311. IC 20-23-9-5, AS ADDED BY P.L.1-2005,
19 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
20 JANUARY 1, 2009]: Sec. 5. If the department of local government
21 finance receives a petition of appeal under section 4 of this chapter, the
22 department of local government finance shall submit the petition to the
23 ~~school property tax control board established by IC 6-1.1-19-4.1~~
24 **county board of tax and capital projects review** for a factfinding
25 hearing.

26 SECTION 312. IC 20-24-7-2, AS AMENDED BY P.L.2-2006,
27 SECTION 106, IS AMENDED TO READ AS FOLLOWS
28 [EFFECTIVE JANUARY 1, 2009]: Sec. 2. (a) Not later than the date
29 established by the department for determining ADM, and after May 31
30 each year, the organizer shall submit to the department the following
31 information on a form prescribed by the department:

- 32 (1) The number of students enrolled in the charter school.
- 33 (2) The name and address of each student.
- 34 (3) The name of the school corporation in which the student has
35 legal settlement.
- 36 (4) The name of the school corporation, if any, that the student
37 attended during the immediately preceding school year.
- 38 (5) The grade level in which the student will enroll in the charter
39 school.

40 The department shall verify the accuracy of the information reported.

41 (b) This subsection applies after December 31 of the calendar year
42 in which a charter school begins its initial operation. The department
43 shall distribute to the organizer the state tuition support distribution.
44 The department shall make a distribution under this subsection at the
45 same time and in the same manner as the department makes a
46 distribution of state tuition support under IC 20-43-2 to other school

- 1 corporations.
- 2 (c) The department shall provide to the department of local
3 government finance the following information:
- 4 (1) For each county, the number of students who:
- 5 (A) have legal settlement in the county; and
- 6 (B) attend a charter school.
- 7 (2) The school corporation in which each student described in
8 subdivision (1) has legal settlement.
- 9 (3) The charter school that a student described in subdivision (1)
10 attends and the county in which the charter school is located.
- 11 (4) The amount of the tuition support levy determined under
12 IC 20-45-3-11 for each school corporation described in
13 subdivision (2):
- 14 (5) The amount determined under STEP TWO of the following
15 formula:
- 16 STEP ONE: Determine the product of:
- 17 (A) the target revenue per ADM (as defined in
18 IC 20-43-1-26) determined for a charter school described in
19 subdivision (3); multiplied by
- 20 (B) thirty-five hundredths (0.35):
- 21 STEP TWO: Determine the product of:
- 22 (A) the STEP ONE amount; multiplied by
- 23 (B) the current ADM of a charter school described in
24 subdivision (3):
- 25 (6) The amount determined under STEP THREE of the following
26 formula:
- 27 STEP ONE: Determine the number of students described in
28 subdivision (1) who:
- 29 (A) attend the same charter school; and
- 30 (B) have legal settlement in the same school corporation
31 located in the county.
- 32 STEP TWO: Determine the subdivision (5) STEP ONE
33 amount for a charter school described in STEP ONE (A):
- 34 STEP THREE: Determine the product of:
- 35 (A) the STEP ONE amount; multiplied by
- 36 (B) the STEP TWO amount.
- 37 SECTION 313. IC 20-24-7-3, AS AMENDED BY P.L.2-2006,
38 SECTION 107, IS AMENDED TO READ AS FOLLOWS
39 [EFFECTIVE JANUARY 1, 2009]: Sec. 3. (a) This section applies to
40 a conversion charter school.
- 41 (b) Not later than the date established by the department for
42 determining ADM and after July 2, the organizer shall submit to a
43 governing body on a form prescribed by the department the information
44 reported under section 2(a) of this chapter for each student who:
- 45 (1) is enrolled in the organizer's conversion charter school; and
- 46 (2) has legal settlement in the governing body's school

corporation.

(b) Beginning not more than sixty (60) days after the department receives the information reported under section 2(a) of this chapter, the department shall distribute to the organizer:

(1) tuition support and other state funding for any purpose for students enrolled in the conversion charter school;

(2) a proportionate share of state and federal funds received:

(A) for students with disabilities; or

(B) for staff services for students with disabilities;

enrolled in the conversion charter school; and

(3) a proportionate share of funds received under federal or state categorical aid programs for students who are eligible for the federal or state categorical aid and are enrolled in the conversion charter school;

for the second six (6) months of the calendar year in which the conversion charter school is established. The department shall make a distribution under this subsection at the same time and in the same manner as the department makes a distribution to the governing body of the school corporation in which the conversion charter school is located. A distribution to the governing body of the school corporation in which the conversion charter school is located is reduced by the amount distributed to the conversion charter school. This subsection does not apply to a conversion charter school after December 31 of the calendar year in which the conversion charter school is established.

(d) This subsection applies beginning with the first property tax distribution described in IC 6-1.1-27-1 to the governing body of the school corporation in which a conversion charter school is located after the governing body receives the information reported under subsection (b). Not more than ten (10) days after the governing body receives a property tax distribution described in IC 6-1.1-27-1, the governing body shall distribute to the conversion charter school the amount determined under STEP THREE of the following formula:

STEP ONE: Determine the quotient of:

(A) the number of students who:

(i) are enrolled in the conversion charter school; and

(ii) were counted in the ADM of the previous year for the school corporation in which the conversion charter school is located; divided by

(B) the current ADM of the school corporation in which the conversion charter school is located:

In determining the number of students enrolled under clause (A)(i), each kindergarten student shall be counted as one-half (1/2) student.

STEP TWO: Determine the total amount of the following revenues to which the school corporation in which the conversion charter school is located is entitled for the second six (6) months

of the calendar year in which the conversion charter school is established:

(A) Revenues obtained by the school corporation's:

(i) general fund property tax levy; and

(ii) excise tax revenue (as defined in IC 20-43-1-12);

(B) The school corporation's certified distribution of county adjusted gross income tax revenue under IC 6-3.5-1.1 that is to be used as property tax replacement credits.

STEP THREE: Determine the product of:

(A) the STEP ONE amount; multiplied by

(B) the STEP TWO amount.

(e) Subsection (d) does not apply to a conversion charter school after the later of the following dates:

(1) December 31 of the calendar year in which the conversion charter school is established.

(2) Ten (10) days after the date on which the governing body of the school corporation in which the conversion charter school is located receives the final distribution described in IC 6-1.1-27-1 of revenues to which the school corporation in which the conversion charter school is located is entitled for the second six (6) months of the calendar year in which the conversion charter school is established.

(f) (c) This subsection applies during the second six (6) months of the calendar year in which a conversion charter school is established. A conversion charter school may apply for an advance from the charter school advancement account under IC 20-49-7 in the amount determined under STEP FOUR of the following formula:

STEP ONE: Determine the result under subsection (d) STEP ONE (A).

STEP TWO: Determine the difference between:

(A) the conversion charter school's current ADM; minus

(B) the STEP ONE amount.

STEP THREE: Determine the quotient of:

(A) the STEP TWO amount; divided by

(B) the conversion charter school's current ADM.

STEP FOUR: Determine the product of:

(A) the STEP THREE amount; multiplied by

(B) the quotient of:

(i) the subsection (d) STEP TWO amount; divided by

(ii) two (2).

SECTION 314. IC 20-24-7-4, AS AMENDED BY P.L.2-2006, SECTION 108, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 4. (a) Services that a school corporation provides to a charter school, including transportation, may be provided at not more than one hundred three percent (103%) of the actual cost of the services.

(b) This subsection applies to a sponsor that is a state educational institution described in IC 20-24-1-7(2). In a calendar year, a state educational institution may receive from the organizer of a charter school sponsored by the state educational institution an administrative fee equal to not more than three percent (3%) of the total amount the organizer receives during the calendar year

~~(1) under section 12 of this chapter; and~~

~~(2) from basic tuition support (as defined in IC 20-43-1-8).~~

SECTION 315. IC 20-24-7-9, AS AMENDED BY P.L.2-2006, SECTION 109, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 9. (a) This section applies if:

(1) a sponsor:

(A) revokes a charter before the end of the term for which the charter is granted; or

(B) does not renew a charter; or

(2) a charter school otherwise terminates its charter before the end of the term for which the charter is granted.

(b) Any ~~local or~~ state funds that remain to be distributed to the charter school in the calendar year in which an event described in subsection (a) occurs shall be distributed as follows:

(1) First, to the common school loan fund to repay any existing obligations of the charter school under IC 20-49-7.

(2) Second, to the entities that distributed the funds to the charter school. A distribution under this subdivision shall be on a pro rata basis.

(c) If the funds described in subsection (b) are insufficient to repay all existing obligations of the charter school under IC 20-49-7, the state shall repay any remaining obligations of the charter school under IC 20-49-7 from the amount appropriated for state tuition support distributions.

SECTION 316. IC 20-24.5-2-10, AS ADDED BY P.L.2-2007, SECTION 209, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 10. A laboratory school that:

(1) is operated without an agreement; and

(2) has an ADM of not more than seven hundred fifty (750);

must be treated as a charter school for purposes of ~~local funding under IC 20-45-3 and state~~ funding under IC 20-20-33 and IC 20-43.

SECTION 317. IC 20-26-11-12, AS AMENDED BY P.L.145-2006, SECTION 150, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 12. (a) If a student is transferred

under section 5 of this chapter from a school corporation in Indiana to a public school corporation in another state, the transferor corporation shall pay the transferee corporation the full tuition fee charged by the transferee corporation. However, the amount of the full tuition fee may not exceed the amount charged by the transferor corporation for the same class of school, or if the school does not have the same

1 classification, the amount may not exceed the amount charged by the
 2 geographically nearest school corporation in Indiana that has the same
 3 classification.

4 (b) If a child is:

5 (1) placed by ~~a court order or with the consent of the~~
 6 **department or the department of child services** in an
 7 out-of-state institution or other facility; and

8 (2) provided all educational programs and services by a public
 9 school corporation in the state where the child is placed, whether
 10 at the facility, the public school, or another location;

11 the ~~county office of family and children for the county placing the child~~
 12 **department** shall pay, ~~from the county family and children's fund from~~
 13 **the amount of state tuition support that would otherwise be**
 14 **distributed** to the public school corporation in which the child is
 15 enrolled, the amount of transfer tuition specified in subsection (c).

16 (c) The transfer tuition for which ~~a county office~~ **the department**
 17 is obligated under subsection (b) is equal to the following:

18 (1) The amount under a written agreement among the ~~county~~
 19 ~~office, department,~~ the institution or other facility, and the
 20 governing body of the public school corporation in the other state
 21 that specifies the amount and method of computing transfer
 22 tuition.

23 (2) The full tuition fee charged by the transferee corporation, if
 24 subdivision (1) does not apply. However, the amount of the full
 25 tuition fee must not exceed the amount charged by the transferor
 26 corporation for the same class of school, or if the school does not
 27 have the same classification, the amount must not exceed the
 28 amount charged by the geographically nearest school corporation
 29 in Indiana that has the same classification.

30 (d) If a child is:

31 (1) placed by ~~a court order or with the consent of the~~
 32 **department or the department of child services** in an
 33 out-of-state institution or other facility; and

34 (2) provided:

35 (A) onsite educational programs and services either through
 36 the facility's employees or by contract with another person or
 37 organization that is not a public school corporation; or

38 (B) educational programs and services by a nonpublic school;
 39 the ~~county office of family and children for the county placing the child~~
 40 **department** shall pay ~~from the county family and children's fund from~~
 41 **the amount of state tuition support that would otherwise be**
 42 **distributed to the public school corporation in which the child is**
 43 **enrolled** in an amount and in the manner specified in a written
 44 agreement between the ~~county office~~ **department of child services** and
 45 the institution or other facility.

46 (e) ~~An agreement described in subsection (c) or (d) is subject to the~~

1 approval of the director of the department of child services. However,
 2 For purposes of IC 4-13-2, ~~the~~ **an** agreement **described in subsection**
 3 **(c) or (d)** shall not be treated as a contract.

4 SECTION 318. IC 20-26-11-13, AS AMENDED BY P.L.234-2007,
 5 SECTION 105, IS AMENDED TO READ AS FOLLOWS
 6 [EFFECTIVE JANUARY 1, 2009]: Sec. 13. (a) As used in this section,
 7 the following terms have the following meanings:

8 (1) "Class of school" refers to a classification of each school or
 9 program in the transferee corporation by the grades or special
 10 programs taught at the school. Generally, these classifications are
 11 denominated as kindergarten, elementary school, middle school
 12 or junior high school, high school, and special schools or classes,
 13 such as schools or classes for special education, career and
 14 technical education, or career education.

15 (2) "Special equipment" means equipment that during a school
 16 year:

17 (A) is used only when a child with disabilities is attending
 18 school;

19 (B) is not used to transport a child to or from a place where the
 20 child is attending school;

21 (C) is necessary for the education of each child with
 22 disabilities that uses the equipment, as determined under the
 23 individualized education program for the child; and

24 (D) is not used for or by any child who is not a child with
 25 disabilities.

26 (3) "Student enrollment" means the following:

27 (A) The total number of students in kindergarten through
 28 grade 12 who are enrolled in a transferee school corporation
 29 on a date determined by the state board.

30 (B) The total number of students enrolled in a class of school
 31 in a transferee school corporation on a date determined by the
 32 state board.

33 However, a kindergarten student shall be counted under clauses
 34 (A) and (B) as one-half (1/2) student. The state board may select
 35 a different date for counts under this subdivision. However, the
 36 same date shall be used for all school corporations making a count
 37 for the same class of school.

38 (b) Each transferee corporation is entitled to receive for each school
 39 year on account of each transferred student, except a student
 40 transferred under section 6 of this chapter, transfer tuition from the
 41 transferor corporation or the state as provided in this chapter. Transfer
 42 tuition equals the amount determined under STEP THREE of the
 43 following formula:

44 STEP ONE: Allocate to each transfer student the capital
 45 expenditures for any special equipment used by the transfer
 46 student and a proportionate share of the operating costs incurred

by the transferee school for the class of school where the transfer student is enrolled.

STEP TWO: If the transferee school included the transfer student in the transferee school's ADM for a school year, allocate to the transfer student a proportionate share of the following general fund revenues of the transferee school for, except as provided in clause ~~(C)~~; **(B)**, the calendar year in which the school year ends:

(A) State tuition support distributions.

~~(B) Property tax levies;~~

~~(C) (B)~~ Excise tax revenue (as defined in IC 20-43-1-12) received for deposit in the calendar year in which the school year begins.

~~(D) (C)~~ Allocations to the transferee school under IC 6-3.5.

STEP THREE: Determine the greater of:

(A) zero (0); or

(B) the result of subtracting the STEP TWO amount from the STEP ONE amount.

If a child is placed in an institution or facility in Indiana ~~under a court order,~~ **by or with the approval of the department of child services,** the institution or facility shall charge the ~~county office of the county of the student's legal settlement under IC 12-19-7~~ **department of child services** for the use of the space within the institution or facility (commonly called capital costs) that is used to provide educational services to the child based upon a prorated per student cost.

(c) Operating costs shall be determined for each class of school where a transfer student is enrolled. The operating cost for each class of school is based on the total expenditures of the transferee corporation for the class of school from its general fund expenditures as specified in the classified budget forms prescribed by the state board of accounts. This calculation excludes:

(1) capital outlay;

(2) debt service;

(3) costs of transportation;

(4) salaries of board members;

(5) contracted service for legal expenses; and

(6) any expenditure that is made ~~out of the general fund~~ from extracurricular account receipts;

for the school year.

(d) The capital cost of special equipment for a school year is equal to:

(1) the cost of the special equipment; divided by

(2) the product of:

(A) the useful life of the special equipment, as determined under the rules adopted by the state board; multiplied by

(B) the number of students using the special equipment during at least part of the school year.

(e) When an item of expense or cost described in subsection (c) cannot be allocated to a class of school, it shall be prorated to all classes of schools on the basis of the student enrollment of each class in the transferee corporation compared with the total student enrollment in the school corporation.

(f) Operating costs shall be allocated to a transfer student for each school year by dividing:

(1) the transferee school corporation's operating costs for the class of school in which the transfer student is enrolled; by

(2) the student enrollment of the class of school in which the transfer student is enrolled.

When a transferred student is enrolled in a transferee corporation for less than the full school year of student attendance, the transfer tuition shall be calculated by the part of the school year for which the transferred student is enrolled. A school year of student attendance consists of the number of days school is in session for student attendance. A student, regardless of the student's attendance, is enrolled in a transferee school unless the student is no longer entitled to be transferred because of a change of residence, the student has been excluded or expelled from school for the balance of the school year or for an indefinite period, or the student has been confirmed to have withdrawn from school. The transferor and the transferee corporation may enter into written agreements concerning the amount of transfer tuition due in any school year. If an agreement cannot be reached, the amount shall be determined by the state board, and costs may be established, when in dispute, by the state board of accounts.

(g) A transferee school shall allocate revenues described in subsection (b) STEP TWO to a transfer student by dividing:

(1) the total amount of revenues received; by

(2) the ADM of the transferee school for the school year that ends in the calendar year in which the revenues are received.

However, for state tuition support distributions or any other state distribution computed using less than the total ADM of the transferee school, the transferee school shall allocate the revenues to the transfer student by dividing the revenues that the transferee school is eligible to receive in a calendar year by the student count used to compute the state distribution.

(h) Instead of the payments provided in subsection (b), the transferor corporation or state owing transfer tuition may enter into a long term contract with the transferee corporation governing the transfer of students. The contract may:

(1) be entered into for a period of not more than five (5) years with an option to renew;

(2) specify a maximum number of students to be transferred; and

(3) fix a method for determining the amount of transfer tuition and the time of payment, which may be different from that

provided in section 14 of this chapter.

(i) A school corporation may negotiate transfer tuition agreements with a neighboring school corporation that can accommodate additional students. Agreements under this section may:

- (1) be for one (1) year or longer; and
- (2) fix a method for determining the amount of transfer tuition or time of payment that is different from the method, amount, or time of payment that is provided in this section or section 14 of this chapter.

A school corporation may not transfer a student under this section without the prior approval of the child's parent.

(j) If a school corporation experiences a net financial impact with regard to transfer tuition that is negative for a particular school year as described in IC 20-45-6-8, the school corporation may appeal for an excessive levy as provided under IC 20-45-6-8.

SECTION 319. IC 20-26-11-17, AS ADDED BY P.L.1-2005, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 17. (a) Each year before the date specified in the rules adopted by the state board, a school corporation shall report the information specified in subsection (b) for each student:

- (1) for whom tuition support is paid by another school corporation;
- (2) for whom tuition support is paid by the state; and
- (3) who is enrolled in the school corporation but has the equivalent of a legal settlement in another state or country;

~~to the county office (as defined in IC 12-7-2-45) for the county in which the principal office of the school corporation is located and to the department.~~

(b) Each school corporation shall provide the following information for each school year for each category of student described in subsection (a):

- (1) The amount of tuition support and other support received for the students described in subsection (a).
- (2) The operating expenses, as determined under section 13 of this chapter, incurred for the students described in subsection (a).
- (3) Special equipment expenditures that are directly related to educating students described in subsection (a).
- (4) The number of transfer students described in subsection (a).
- (5) Any other information required under the rules adopted by the state board after consultation with the ~~office of the secretary of family and social services;~~ **department of child services.**

(c) The information required under this section shall be reported in the format and on the forms specified by the state board.

(d) Not later than November 30 of each year the department shall compile the information required from school corporations under this section and submit the compiled information in the form specified by

the office of the secretary of family and social services **department of child services** to the office of the secretary of family and social services: **department of child services**.

(e) Not later than November 30 of each year each county office shall submit the following information to the office of the secretary of family and social services for each child who is described in IC 12-19-7-1(1) and is placed in another state or is a student in a school outside the school corporation where the child has legal settlement:

(1) The name of the child;

(2) The name of the school corporation where the child has legal settlement;

(3) The last known address of the custodial parent or guardian of the child;

(4) Any other information required by the office of the secretary of family and social services;

(f) (e) Not later than December 31 of each year, the ~~office of the secretary of family and social services~~ **department of child services** shall submit a report to the members of the budget committee and the executive director of the legislative services agency that compiles and analyzes the information required from school corporations under this section. The report must identify the types of state and local funding changes that are needed to provide adequate state and local money to educate transfer students. A report submitted under this subsection to the executive director of the legislative services agency must be in an electronic format under IC 5-14-6.

SECTION 320. IC 20-33-2-29, AS ADDED BY P.L.1-2005, SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 29. (a) It is unlawful for a person operating or responsible for:

(1) an educational;

(2) a correctional;

(3) a charitable; or

(4) a benevolent institution or training school;

to fail to ensure that a child under the person's authority attends school as required under this chapter. Each day of violation of this section constitutes a separate offense.

(b) If a child is placed in an institution or facility ~~under a court order, by or with the consent of the department of child services~~, the institution or facility shall charge the ~~county office of family and children of the county of the child's legal settlement under IC 12-19-7~~ **department of child services** for the use of the space within the institution or facility (commonly called capital costs) that is used to provide educational services to the child based upon a prorated per child cost."

Page 217, delete lines 6 through 31, begin a new paragraph and insert:

1 "SECTION 323. IC 20-40-6-5, AS AMENDED BY P.L.234-2007,
 2 SECTION 229, IS AMENDED TO READ AS FOLLOWS
 3 [EFFECTIVE JANUARY 1, 2009]: Sec. 5. (a) ~~Subject to this chapter,~~
 4 ~~the fund is the exclusive fund to be used by a school corporation for the~~
 5 ~~payment of~~ Costs attributable to transportation **are payable from the**
 6 **fund.**

7 (b) Contracted transportation service costs transferred to the school
 8 bus replacement fund under IC 20-40-7 are payable from the school
 9 bus replacement fund.

10 SECTION 324. IC 20-40-8-19, AS AMENDED BY P.L.234-2007,
 11 SECTION 230, IS AMENDED TO READ AS FOLLOWS
 12 [EFFECTIVE JANUARY 1, 2009]: Sec. 19. ~~This section applies~~
 13 ~~during the period beginning January 1, 2008, and ending December 31,~~
 14 ~~2009.~~ Money in the fund may be used to pay for up to one hundred
 15 percent (100%) of the following costs of a school corporation:

16 (1) Utility services.

17 (2) Property or casualty insurance.

18 (3) Both utility services and property or casualty insurance.

19 ~~A school corporation's expenditures under this section may not exceed~~
 20 ~~in 2008 and in 2009 three and five-tenths percent (3.5%) of the school~~
 21 ~~corporation's 2005 calendar year distribution.~~

22 SECTION 325. IC 20-40-10-2, AS ADDED BY P.L.2-2006,
 23 SECTION 163, IS AMENDED TO READ AS FOLLOWS
 24 [EFFECTIVE JANUARY 1, 2009]: Sec. 2. Each corporation shall
 25 establish a levy excess fund for purposes of ~~IC 20-44-3.~~
 26 **IC 6-1.1-18.5-17.**

27 SECTION 326. IC 20-43-1-17, AS ADDED BY P.L.2-2006,
 28 SECTION 166, IS AMENDED TO READ AS FOLLOWS
 29 [EFFECTIVE JANUARY 1, 2009]: Sec. 17. "Maximum permissible
 30 tuition support levy" ~~has~~ **refers to** the meaning set forth in
 31 ~~IC 20-45-1-15.~~ **maximum permissible tuition support levy that a**
 32 **school corporation was permitted to impose under IC 20-45-3-11**
 33 **(before its repeal).**

34 SECTION 310. IC 20-43-3-4, AS AMENDED BY P.L.234-2007,
 35 SECTION 135, AND AS AMENDED BY P.L.234-2007, SECTION
 36 238, IS CORRECTED AND AMENDED TO READ AS FOLLOWS
 37 [EFFECTIVE JANUARY 1, 2009]: Sec. 4. (a) A school corporation's
 38 previous year revenue equals the amount determined under STEP TWO
 39 of the following formula:

40 STEP ONE: Determine the sum of the following:

41 (A) The school corporation's basic tuition support for the year
 42 that precedes the current year.

43 (B) The school corporation's maximum permissible tuition
 44 support levy for ~~the~~ calendar year ~~that precedes the current~~
 45 ~~year,~~ made in determining the school corporation's adjusted
 46 ~~tuition support levy for the calendar year 2008.~~

(C) The school corporation's excise tax revenue for the year that precedes the current year by two (2) years: **calendar year 2008.**

STEP TWO: Subtract from the STEP ONE result an amount equal to the *sum of the following*:

~~(A) The~~ reduction in the school corporation's state tuition support under any combination of subsection (b), subsection (c), IC 20-10.1-2-1 (before its repeal), or IC 20-30-2-4.

~~(B) In 2006, the amount of the school corporation's maximum permissible tuition support levy attributable to the levy transferred from the school corporation's general fund to the school corporation's referendum tax levy fund under IC 20-46-1-6.~~

(b) A school corporation's previous year revenue must be reduced if:

(1) the school corporation's state tuition support for special education or ~~vocational~~ career and technical education is reduced as a result of a complaint being filed with the department after December 31, 1988, because the school program overstated the number of children enrolled in special education programs or ~~vocational~~ career and technical education programs; and

(2) the school corporation's previous year revenue has not been reduced under this subsection more than one (1) time because of a given overstatement.

The amount of the reduction equals the amount the school corporation would have received in state tuition support for special education and ~~vocational~~ career and technical education because of the overstatement.

(c) **This section applies only to 2009.** A school corporation's previous year revenue must be reduced if an existing elementary or secondary school located in the school corporation converts **before January 1, 2009**, to a charter school under ~~IC 20-5.5-11 before July 1, 2005; or IC 20-24-11 after June 30, 2005.~~ The amount of the reduction equals the product of:

(1) the sum of the amounts distributed to the conversion charter school under ~~IC 20-5.5-7-3.5(c) and IC 20-5.5-7-3.5(d) before July 1, 2005; and IC 20-24-7-3(c) and IC 20-24-7-3(d) after June 30, 2005; (as effective before January 1, 2009);~~ multiplied by

(2) two (2).

SECTION 328. IC 20-43-4-1, AS AMENDED BY P.L.159-2007, SECTION 4, AND AS AMENDED BY P.L.234-2007, SECTION 136, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 1. (a) An individual is an eligible pupil if the individual is a pupil enrolled in a school corporation and:

(1) the school corporation has the responsibility to educate the pupil in its public schools without the payment of tuition;

(2) subject to subdivision (5), the school corporation has the responsibility to pay transfer tuition under IC 20-26-11 because the pupil is:

(A) transferred for education to another school corporation; **or**
(B) placed in an out-of-state institution or facility by or with the consent of the department of child services;

(3) the pupil is enrolled in a school corporation as a transfer student under IC 20-26-11-6 or entitled to be counted for ADM purposes as a resident of the school corporation when attending its schools under any other applicable law or regulation;

(4) the state is responsible for the payment of transfer tuition to the school corporation for the pupil under IC 20-26-11; or

(5) all of the following apply:

(A) The school corporation is a transferee corporation.

(B) The pupil does not qualify as a qualified pupil in the transferee corporation under subdivision (3) or (4).

(C) The transferee corporation's attendance area includes a state licensed private or public health care facility *or* child care facility ~~*or foster family home*~~ where the pupil was placed:

(i) by or with the consent of the department of child services;

(ii) by a court order;

(iii) by a child placing agency licensed by the ~~*division of family resources*~~; *or department of child services*;

(iv) by a parent or guardian under IC 20-26-11-8; *or*

(v) *by or with the consent of the department under IC 20-35-6-2.*

(b) For purposes of a ~~*vocational*~~ *career and technical* education grant, an eligible pupil includes a student enrolled in a charter school.

SECTION 329. IC 20-43-6-3, AS AMENDED BY P.L.234-2007, SECTION 249, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 3. (a) A school corporation's total regular program tuition support for a calendar year is the amount determined under the applicable provision of this section.

(b) This subsection applies to a school corporation that has transition to foundation revenue per adjusted ADM for a calendar year that is not equal to the school corporation's foundation amount for the calendar year. The school corporation's total regular program tuition support for a calendar year is equal to the school corporation's transition to foundation revenue for the calendar year.

(c) This subsection applies to a school corporation that has transition to foundation revenue per adjusted ADM for a calendar year that is equal to the school corporation's foundation amount for the calendar year. The school corporation's total regular program tuition support for a calendar year is the sum of the following:

(1) The school corporation's foundation amount for the calendar

year multiplied by the school corporation's adjusted ADM for the current year.

(2) The amount of the annual decrease in federal aid to impacted areas from the year preceding the ensuing calendar year by three (3) years to the year preceding the ensuing calendar year by two (2) years.

~~(3) The part of the school corporation's maximum permissible tuition support levy for the year that equals the original amount of the levy imposed by the school corporation to cover the costs of opening a new school facility or reopening an existing facility during the preceding year.~~

SECTION 330. IC 20-43-6-4, AS AMENDED BY P.L.234-2007, SECTION 250, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 4. (a) A school corporation's local contribution for a calendar year is the amount determined under the applicable provision of this section.

(b) This subsection applies to a school corporation that is not a charter school. ~~Determine the sum of the following:~~

~~(1) The school corporation's adjusted tuition support levy.~~

~~(2) The local contribution of a school corporation is the school corporation's excise tax revenue for the year that precedes the current year by one (1) year.~~

(c) This subsection applies to a charter school. ~~Determine the product of:~~

~~(1) the charter school's transition to foundation revenue for the calendar year; multiplied by~~

~~(2) thirty-five hundredths (0.35): The local contribution of a charter school is zero (0).~~

SECTION 331. IC 20-46-1-2, AS ADDED BY P.L.2-2006, SECTION 169, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 2. As used in this chapter, "excessive tax levy" **for the purposes of section 7 of this chapter**, has the meaning set forth in IC 20-45-1-11 **(repealed)**.

SECTION 332. IC 20-46-1-7, AS ADDED BY P.L.2-2006, SECTION 169, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 7. (a) This section applies to a school corporation that added an amount to the school corporation's base tax levy before 2002 as the result of the approval of an excessive tax levy by the majority of individuals voting in a referendum held in the area served by the school corporation under IC 6-1.1-19-4.5 (before its repeal).

(b) A school corporation may adopt a resolution before September 21, 2005, to transfer the power of the school corporation to levy the amount described in subsection (a) from the school corporation's general fund to the school corporation's fund. A school corporation that adopts a resolution under this section shall, as soon as practicable after

adopting the resolution, send a certified copy of the resolution to the department of local government finance and the county auditor. A school corporation that adopts a resolution under this section may, for property taxes first due and payable after 2005, levy an additional amount for the fund that does not exceed the amount of the excessive tax levy added to the school corporation's base tax levy before 2002.

(c) The power of the school corporation to impose the levy transferred to the fund under this section expires December 31, 2012, unless:

(1) the school corporation adopts a resolution to reimpose or extend the levy; and

(2) the levy is approved, before January 1, 2013, by a majority of the individuals who vote in a referendum that is conducted in accordance with the requirements in this chapter.

As soon as practicable after adopting the resolution under subdivision (1), the school corporation shall send a certified copy of the resolution to the county auditor and the department of local government finance. Upon receipt of the certified resolution, the tax control board shall proceed in the same manner as the tax control board would for any other levy being reimposed or extended under this chapter. However, if requested by the school corporation in the resolution adopted under subdivision (1), the question of reimposing or extending a levy transferred to the fund under this section may be combined with a question presented to the voters to reimpose or extend a levy initially imposed after 2001. A levy reimposed or extended under this subsection shall be treated for all purposes as a levy reimposed or extended under IC 6-1.1-19-4.5(c) (before its repeal) and this chapter, after June 30, 2006.

(d) The school corporation's levy under this section may not be considered in the determination of the school corporation's state tuition support under IC 20-43. ~~or the determination of the school corporation's maximum permissible tuition support levy under IC 20-45-3.~~

SECTION 333. IC 20-46-1-8, AS ADDED BY P.L.2-2006, SECTION 169, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 8. (a) This ~~section~~ **subsection** applies to a school corporation that includes a request for a levy under this chapter in an emergency appeal under IC 6-1.1-19 (**repealed**) and IC 20-45-6-2 (**repealed**) **that is filed before January 1, 2009.**

~~(b)~~ In addition to, or instead of, any recommendation that the tax control board may make in an appeal, the tax control board may recommend that the appellant school corporation be permitted to make a levy for the ensuing calendar year under this chapter.

(b) This subsection applies after December 31, 2008. A school corporation may appeal to the county board of tax and capital projects review to request a referendum under this chapter. The

1 county board of tax and capital projects review shall expedite the
 2 review as necessary to permit the referendum to be conducted
 3 without a special election. If the county board of tax and capital
 4 projects review concludes that the appellant school corporation
 5 cannot, in a calendar year, carry out the public educational duty
 6 committed to the appellant school corporation by law if the
 7 appellant school corporation does not receive emergency financial
 8 relief for the calendar year, the county board of tax and capital
 9 projects review may permit the school corporation to conduct a
 10 referendum under this chapter and, if a levy is approved by the
 11 voters in the referendum, make a levy under this chapter.

12 SECTION 334. IC 20-46-1-9, AS ADDED BY P.L.2-2006,
 13 SECTION 169, IS AMENDED TO READ AS FOLLOWS
 14 [EFFECTIVE JULY 1, 2008]: Sec. 9. **(a)** A tax control board
 15 recommendation **made before January 1, 2009**, under this chapter
 16 may be put into effect only if:

- 17 (1) a majority of the individuals who vote in a referendum that is
 18 conducted in accordance with this section and sections 10 through
 19 19 of this chapter approves the appellant school corporation's
 20 making a levy for the ensuing calendar year;
- 21 (2) the department of local government finance approves the
 22 recommendation in writing **before January 1, 2009**; and
- 23 (3) the appellant school corporation requests that the tax control
 24 board take the steps necessary to cause a referendum to be
 25 conducted.

26 **(b) A county board of tax and capital projects review**
 27 **determination taken after December 31, 2008, under section 8 of**
 28 **this chapter may be put into effect only if:**

- 29 (1) a majority of the individuals who vote in a referendum
 30 that is conducted in accordance with this section and sections
 31 **10 through 19 of this chapter approves the appellant school**
 32 **corporation's making a levy for the ensuing calendar year;**
 33 **and**
- 34 (2) the appellant school corporation requests that the county
 35 board of tax and capital projects review take the steps
 36 necessary to cause a referendum to be conducted.

37 SECTION 335. IC 20-46-1-10, AS ADDED BY P.L.2-2006,
 38 SECTION 169, IS AMENDED TO READ AS FOLLOWS
 39 [EFFECTIVE JULY 1, 2008]: Sec. 10. The question to be submitted to
 40 the voters in the referendum must read as follows:

41 "For the __ (insert number) calendar year or years immediately
 42 following the holding of the referendum, shall the school
 43 corporation impose a property tax rate that does not exceed
 44 _____ (insert amount) cents (\$0.____) (insert amount) on
 45 each one hundred dollars (\$100) of assessed valuation and that is
 46 in addition to the ~~school corporation's normal tuition support~~

property taxes that are subject to the property tax rate⁹¹.
limits imposed by law?".

SECTION 336. IC 20-46-1-12, AS ADDED BY P.L.2-2006, SECTION 169, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 12. The tax control board **(before January 1, 2009) or a county board of tax and capital projects review (after December 31, 2008)** shall act under IC 3-10-9-3 to certify the question to be voted on at the referendum to the county election board of each county in which any part of the appellant school corporation is located.

SECTION 337. IC 20-46-1-13, AS ADDED BY P.L.2-2006, SECTION 169, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 13. Each county clerk shall, upon receiving the question certified by the tax control board **(before January 1, 2009) or a county board of tax and capital projects review (after December 31, 2008)** under this chapter, call a meeting of the county election board to make arrangements for the referendum.

SECTION 338. IC 20-46-1-17, AS ADDED BY P.L.2-2006, SECTION 169, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 17. Each precinct election board shall count the affirmative votes and the negative votes cast in the referendum and shall certify those two (2) totals to the county election board of each county in which the referendum is held. The circuit court clerk of each county shall, immediately after the votes cast in the referendum have been counted, certify the results of the referendum to the tax control board **(before January 1, 2009) or a county board of tax and capital projects review (after December 31, 2008)**. Upon receiving the certification of all the votes cast in the referendum, the tax control board **(before January 1, 2009)** shall promptly certify the result of the referendum to the department of local government finance. If a majority of the individuals who voted in the referendum voted "yes" on the referendum question:

- (1) the department of local government finance **(before January 1, 2009)** , upon being notified by the tax control board of the result of the referendum, **or the county board of tax and capital projects review (after December 31, 2008)** shall promptly notify the school corporation that the school corporation is authorized to collect, for the calendar year that next follows the calendar year in which the referendum is held, a levy not greater than the amount approved in the referendum;
- (2) the levy may be imposed for the number of calendar years approved by the voters following the referendum for the school corporation in which the referendum is held; and
- (3) the school corporation shall establish a fund under IC 20-40-3-1.

SECTION 339. IC 20-46-1-18, AS ADDED BY P.L.2-2006,

1 SECTION 169, IS AMENDED TO READ AS FOLLOWS
 2 [EFFECTIVE JULY 1, 2008]: Sec. 18. A school corporation's levy may
 3 not be considered in the determination of the school corporation's state
 4 tuition support under IC 20-43. ~~or the determination of the school~~
 5 ~~corporation's maximum permissible tuition support levy under~~
 6 ~~IC 20-45-3.~~

7 SECTION 340. IC 20-46-3-5, AS ADDED BY P.L.2-2006,
 8 SECTION 169, IS AMENDED TO READ AS FOLLOWS
 9 [EFFECTIVE JANUARY 1, 2009]: Sec. 5. A school corporation may
 10 petition the ~~tax control board~~ **county board of tax and capital**
 11 **projects review** to impose a property tax to raise revenue for the
 12 purposes of the fund. ~~However, before a school corporation may~~
 13 ~~impose a property tax under this chapter, the school corporation must~~
 14 ~~file a petition with the tax control board under IC 6-1.1-19.~~ The petition
 15 must be filed before June 1 of the year preceding the first year the
 16 school corporation desires to impose the property tax and must include
 17 the following:

- 18 (1) The name of the school corporation.
- 19 (2) A settlement agreement among the parties to a desegregation
- 20 lawsuit that includes the program that will improve or maintain
- 21 racial balance in the school corporation.
- 22 (3) The proposed levy.
- 23 (4) Any other item required by the ~~school property tax control~~
 24 **county board tax and capital projects review.**

25 SECTION 341. IC 20-46-3-6, AS ADDED BY P.L.2-2006,
 26 SECTION 169, IS AMENDED TO READ AS FOLLOWS
 27 [EFFECTIVE JANUARY 1, 2009]: Sec. 6. ~~Subject to~~
 28 ~~IC 6-1.1-18.5-9.9;~~ The **county board of tax control board and capital**
 29 **projects review** may ~~recommend to the department of local~~
 30 ~~government finance that permit~~ a school corporation ~~be allowed~~ to
 31 establish a levy. The amount of the levy shall be determined each year
 32 and the levy may not exceed the lesser of the following:

- 33 (1) The revenue derived from a tax rate of eight and thirty-three
 34 hundredths cents (\$0.0833) for each one hundred dollars (\$100)
 35 of assessed valuation within the school corporation.
- 36 (2) The revenue derived from a tax rate equal to the difference
 37 between the maximum rate allowed for the school corporation's
 38 capital projects fund under IC 20-46-6 minus the actual capital
 39 projects fund rate that will be in effect for the school corporation
 40 for a particular year.

41 SECTION 342. IC 20-46-6-5, AS ADDED BY P.L.154-2006,
 42 SECTION 69, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 43 JANUARY 1, 2009]: Sec. 5. Subject to IC 6-1.1-18-12, ~~and~~
 44 ~~IC 6-1.1-18.5-9.9;~~ to provide for the fund, the governing body may, for
 45 each year in which a plan is in effect, impose a property tax rate that
 46 does not exceed forty-one and sixty-seven hundredths cents (\$0.4167)

on each one hundred dollars (\$100) of assessed valuation of the school corporation. The actual rate imposed by the governing body must be advertised in the same manner as other property tax rates.

SECTION 343. IC 20-46-6-20, AS ADDED BY P.L.2-2006, SECTION 169, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 20. An amendment adopted under section 18 or 19 of this chapter, may require any of the following:

(1) The payment of eligible costs from:

(A) money accumulated in the fund for other purposes; or

(B) money to be borrowed from other funds of the school corporation or from a financial institution.

(2) An increase in the property tax rate for the fund to restore money to the fund or to pay principal and interest on a loan. Any increase to the property tax rate for the fund is effective for property taxes first due and payable for the year next ~~certified by the department of local government finance under IC 6-1.1-17-16:~~ **budget year for which tax levies are approved by the county board of tax and capital projects review.** However, the property tax rate may not exceed the maximum rate established under section 5 of this chapter.

SECTION 344. IC 20-49-3-8, AS ADDED BY P.L.2-2006, SECTION 172, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 8. The fund may be used to make advances:

(1) to school corporations, including school townships, under IC 20-49-4 and IC 20-49-5;

(2) under IC 20-49-6; and

(3) to charter schools under ~~IC 20-24-7-3(f)~~ **IC 20-24-7-3(c)** and IC 20-49-7.".

Page 219, delete lines 8 through 29, begin a new paragraph and insert:

"SECTION 349. IC 31-9-2-5.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: **Sec. 5.5. "Adoption subsidy", for the purposes of IC 31-19-26.5, has the meaning set forth in IC 31-19-26.5-1.**

SECTION 350. IC 31-9-2-9.3, AS ADDED BY P.L.145-2006, SECTION 171, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 9.3. (a) "Applicant", for purposes of IC 31-25-3, IC 31-25-4, IC 31-26-2, ~~IC 31-26-3,~~ **IC 31-26-3.5**, IC 31-28-1, IC 31-28-2, and IC 31-28-3, means a person who has applied for assistance for the applicant or another person.

(b) "Applicant", for purposes of IC 31-27, means a person who seeks a license to operate a child caring institution, foster family home, group home, or child placing agency.

SECTION 351. IC 31-9-2-9.7, AS ADDED BY P.L.145-2006, SECTION 173, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 9.7. "Assistance", for purposes of the following statutes, means money or services regardless of the source, paid or furnished under any of the following statutes:

(1) IC 31-25-3.

(2) IC 31-25-4.

(3) IC 31-26-2.

~~(4) IC 31-26-3.~~

(4) IC 31-26-3.5.

(5) IC 31-28-1.

(6) IC 31-28-2.

(7) IC 31-28-3.

SECTION 352. IC 31-9-2-10.3, AS ADDED BY P.L.145-2006, SECTION 174, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 10.3. "Blind", for purposes of IC 31-25-3, IC 31-25-4, IC 31-26-2, ~~IC 31-26-3~~, IC 31-28-1, IC 31-28-2, and IC 31-28-3, means an individual who has vision in the better eye with correcting glasses of 20/200 or less, or a disqualifying visual field defect as determined upon examination by an ophthalmologist or optometrist who has been designated to make such examinations by the county office and approved by the department.

SECTION 353. IC 31-9-2-17, AS AMENDED BY P.L.145-2006, SECTION 181, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 17. "Child in need of services" ~~for purposes of IC 31-25-3, IC 31-25-4, IC 31-26-2, IC 31-26-3, IC 31-28-1, IC 31-28-2, IC 31-28-3, and IC 31-34,~~ means refers to a child described in IC 31-34-1.

SECTION 354. IC 31-9-2-17.8 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: **Sec. 17.8. "Child services" has the meaning set forth in IC 31-29-1-1.**

SECTION 355. IC 31-9-2-19.5, AS ADDED BY P.L.145-2006, SECTION 182, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 19.5. "Child welfare services" ~~for purposes of IC 31-25-3, IC 31-25-4, IC 31-26-2, IC 31-26-3, IC 31-28-1, IC 31-28-2, and IC 31-28-3,~~ means the services for children described in ~~IC 31-26-3-1.~~ **means services provided under a child welfare program.**

SECTION 356. IC 31-9-2-19.6 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: **Sec. 19.6. "Child welfare program" has the meaning set forth in IC 31-26-3.5-1.**

SECTION 357. IC 31-9-2-20.3 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: **Sec. 20.3. "Child with special**

needs", for the purposes of IC 31-19-26.5, has the meaning set forth in IC 31-19-26.5-2.

SECTION 358. IC 31-9-2-24.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 24.5. "Costs of secure detention" has the meaning set forth in IC 31-40-1-1.5.

SECTION 359. IC 31-9-2-26, AS AMENDED BY P.L.138-2007, SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 26. "County office" or "county office of family and children" refers to a ~~county~~ **local** office of the department of child services established by IC 31-25-1-1.

SECTION 360. IC 31-9-2-39.5, AS ADDED BY P.L.145-2006, SECTION 188, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 39.5. "Destitute child" for purposes of IC 31-25-3, IC 31-25-4, IC 31-26-2, IC 31-26-3, IC 31-28-1, IC 31-28-2, and IC 31-28-3, means an individual:

- (1) who is needy;
- (2) who is not a public ward;
- (3) who is less than eighteen (18) years of age;
- (4) who has been deprived of parental support or care because of a parent's:
 - (A) death;
 - (B) continued absence from the home; or
 - (C) physical or mental incapacity;
- (5) whose relatives liable for the individual's support are not able to provide adequate care or support for the individual without public assistance; and
- (6) who is in need of foster care, under circumstances that do not require the individual to be made a public ward.

SECTION 361. IC 31-9-2-44.3, AS ADDED BY P.L.145-2006, SECTION 191, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 44.3. "Expenses and obligations", for purposes of IC 31-25-3, IC 31-25-4, IC 31-26-2, ~~IC 31-26-3~~, **IC 31-26-3.5**, IC 31-28-1, IC 31-28-2, and IC 31-28-3, refers to expenses, obligations, assistance, and claims:

- (1) of ~~a county office~~; **the division of family resources**;
- (2) incurred in the administration of ~~the public~~ welfare services; ~~of the county~~;
- (3) incurred as provided by law; and
- (4) for:
 - (A) assistance for aged persons in need;
 - (B) assistance to dependent children; and
 - (C) other assistance or services that ~~a county office~~ **the division of family resources** is authorized by law to allow.

SECTION 362. IC 31-9-2-44.8, AS ADDED BY P.L.138-2007, SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

JANUARY 1, 2009]: Sec. 44.8. "Family preservation services" for purposes of ~~IC 31-34-24 and IC 31-37-24~~; means short term, highly intensive services designed to protect, treat, and support the following:

- (1) A family with a child at risk of placement by enabling the family to remain intact and care for the child at home.
- (2) A family that adopts or plans to adopt an abused or neglected child who is at risk of placement or adoption disruption by assisting the family to achieve or maintain a stable, successful adoption of the child.

SECTION 363. IC 31-9-2-76.6 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: **Sec. 76.6. "Local office" refers to a local office established by the department to serve a county or a region.**

SECTION 364. IC 31-9-2-92.5, AS AMENDED BY P.L.145-2006, SECTION 205, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 92.5. (a) "Plan", for purposes of ~~IC 31-34-24~~, **IC 31-34-24.1** has the meaning set forth in ~~IC 31-34-24-1~~. **IC 31-34-24.1-1.**

~~(b) "Plan", for purposes of IC 31-37-24, has the meaning set forth in IC 31-37-24-1.~~

~~(c)~~ **(b)** "Plan", for purposes of IC 31-25-4, has the meaning set forth in IC 31-25-4-5.

SECTION 365. IC 31-9-2-99.7, AS ADDED BY P.L.145-2006, SECTION 209, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 99.7. "Public welfare", for purposes of IC 31-25-3, IC 31-25-4, IC 31-26-2, ~~IC 31-26-3~~, IC 31-28-1, IC 31-28-2, and IC 31-28-3, means any form of public welfare or Social Security provided in IC 31-25-3, IC 31-25-4, IC 31-26-2, ~~IC 31-26-3~~, IC 31-28-1, IC 31-28-2, or IC 31-28-3. The term does not include direct township assistance as administered by township trustees under IC 12-20.

SECTION 366. IC 31-9-2-102.5, AS ADDED BY P.L.145-2006, SECTION 210, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 102.5. "Recipient", for purposes of IC 31-25-3, IC 31-25-4, IC 31-26-2, ~~IC 31-26-3~~, IC 31-28-1, IC 31-28-2, and IC 31-28-3, means a person who has received or is receiving assistance for the person or another person.

SECTION 367. IC 31-9-2-103.6 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: **Sec. 103.6. "Region" refers to an area in Indiana designated as a region by the department. However, for purposes of:**

- (1) IC 31-25-2-20, the term refers to a region established under IC 31-25-2-20; and**
- (2) IC 31-34-24.1, the term refers to a service region**

1 **established under IC 31-34-24.1-3.**

2 SECTION 368. IC 31-9-2-103.7 IS ADDED TO THE INDIANA
3 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
4 [EFFECTIVE JANUARY 1, 2009]: **Sec. 103.7. "Regional services**
5 **council" refers to a regional services council established for a**
6 **region under IC 31-34-24.1-3.**

7 SECTION 369. IC 31-9-2-113.7 IS ADDED TO THE INDIANA
8 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
9 [EFFECTIVE JANUARY 1, 2009]: **Sec. 113.7. "Secure detention**
10 **facility" has the meaning set forth in IC 31-40-1-1.5.**

11 SECTION 370. IC 31-9-2-129 IS AMENDED TO READ AS
12 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 129. ~~(a)~~ "Team",
13 for purposes of IC 31-33-3, refers to a community child protection team
14 appointed under IC 31-33-3.

15 ~~(b) "Team", for purposes of IC 31-34-24, has the meaning set forth~~
16 ~~in IC 31-34-24-2.~~

17 ~~(c) "Team", for purposes of IC 31-37-24, has the meaning set forth~~
18 ~~in IC 31-37-24-2.~~

19 SECTION 371. IC 31-9-2-135, AS AMENDED BY P.L.138-2007,
20 SECTION 33, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
21 JANUARY 1, 2009]: Sec. 135. (a) "Warrant", for purposes of
22 IC 31-25-3, IC 31-25-4, IC 31-26-2, ~~IC 31-26-3~~, IC 31-28-1,
23 IC 31-28-2, and IC 31-28-3, means an instrument that is:

- 24 (1) the equivalent of a money payment; and
25 (2) immediately convertible into cash by the payee for the full
26 face amount of the instrument.

27 (b) "Warrant", for purposes of the Uniform Child Custody
28 Jurisdiction Act under IC 31-21, has the meaning set forth in
29 IC 31-21-2-21.

30 SECTION 372. IC 31-19-11-2 IS AMENDED TO READ AS
31 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 2. If the child is
32 a ward of:

- 33 (1) a guardian;
34 (2) an agency; or
35 ~~(3) an office of family and children;~~
36 **(3) the department;**

37 the court shall provide for the custody of the child in the adoption
38 decree.

39 SECTION 373. IC 31-19-11-3 IS AMENDED TO READ AS
40 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 3. ~~Upon receipt~~
41 ~~of a recommendation from the county office of family and children; (a)~~
42 If the petition for adoption contained a request for aid; ~~regardless of~~
43 ~~whether the aid is given; financial assistance~~, the court shall ~~state in~~
44 ~~the adoption decree the:~~

- 45 ~~(1) nature;~~
46 ~~(2) conditions; and~~

1 (3) length of time during which aid shall be paid under
2 ~~IC 31-19-26;~~

3 refer the petition to the department for a determination of
4 eligibility for:

5 (1) adoption assistance under 42 U.S.C. 673, including
6 applicable federal and state regulations; or

7 (2) adoption subsidy under IC 31-19-26.5.

8 (b) The department shall determine the eligibility of the
9 adoptive child for financial assistance and the amount of
10 assistance, if any, that will be provided.

11 (c) The court may not order payment of:

12 (1) adoption assistance under 42 U.S.C. 673; or

13 (2) any adoption subsidy under IC 31-19-26.5.

14 SECTION 374. IC 31-19-26.5 IS ADDED TO THE INDIANA
15 CODE AS A NEW CHAPTER TO READ AS FOLLOWS
16 [EFFECTIVE JULY 1, 2009]:

17 **Chapter 26.5. Adoption Subsidies**

18 Sec. 1. As used in this chapter, "adoption subsidy" means
19 payments by the department, to an adoptive parent of a child with
20 special needs, for the purpose of assisting with the cost of care of
21 the child:

22 (1) after a final decree of adoption of the child has been
23 entered under IC 31-19-11; and

24 (2) during the time the child is residing with and supported by
25 the adoptive parent or parents.

26 Sec. 2. As used in this chapter, "child with special needs" means
27 a child who:

28 (1) is a hard to place child; and

29 (2) meets the requirements of a special needs child, as
30 specified in 42 U.S.C. 673(c) and the rules of the department
31 applicable to those requirements.

32 Sec. 3. The department may make payments of adoption subsidy
33 under this chapter for the benefit of a child with special needs, if
34 the department has:

35 (1) either:

36 (A) entered into a written agreement with the adoptive
37 parent or parents, before or at the time the court enters a
38 final decree of adoption under IC 31-19-11-1, that specifies
39 the amount, terms, and conditions of the adoption
40 assistance payments; or

41 (B) received a written final order in an administrative
42 appeal in accordance with section 12(a)(4) of this chapter
43 concluding that the adoptive parents are eligible for a
44 subsidy payable under this chapter and determining the
45 appropriate subsidy amount;

46 (2) determined that sufficient funds are available in the
47 adoption assistance account of the state family and children's

fund, and can reasonably be anticipated to be available in that account during the term of the agreement or order, to make the payments as specified in the agreement or order; and (3) determined that the child is not eligible for adoption assistance under 42 U.S.C. 673.

Sec. 4. If the department determines that sufficient funds are not or will not be available in the adoption subsidy account established under this chapter to make adoption assistance payments to adoptive parents of all children who may be eligible for a subsidy payable under this chapter, the department may, in accordance with procedures established by rules:

- (1) approve new adoption subsidy agreements only for the benefit of children for whom the department has wardship responsibility at the time the adoption petition is filed; or
- (2) give priority to funding new adoption subsidy agreements for children for whom the department has had wardship responsibility.

Sec. 5. The amount of adoption subsidy payments under this chapter may not exceed the amount that would be payable by the department for the monthly cost of care of the adopted child in a foster family home at the time the adoption subsidy agreement is made.

Sec. 6. (a) In addition to the adoption subsidy payments determined under section 3 of this chapter, the department may make additional payments for medical or psychological care or treatment of the adoptive child, if all of the following conditions exist:

- (1) The child is a child with special needs, based in whole or in part on a physical, mental, emotional, or medical condition that:

- (A) existed before the filing of the adoption petition; or
- (B) is causally related to specific conditions that existed or events that occurred before the filing of the adoption petition;

as determined by a physician or psychologist licensed in Indiana.

- (2) The child's adoptive parent has applied to the department, in the form and manner specified by the department, for assistance in payment of the cost of special services that the child needs to remedy or ameliorate the condition or conditions identified in subdivision (1).

- (3) The department determines that:

(A) the services required are not and will not be covered by either:

- (i) private health insurance available to the child or adoptive parent; or
- (ii) the Medicaid program in Indiana or the state where

1 the child currently resides; and
 2 (B) payment of the cost of the required services without
 3 assistance will cause a significant financial burden and
 4 hardship to the adoptive family.

5 (4) Sufficient funds are available in the adoption assistance
 6 account to cover the cost of additional assistance provided
 7 under this section.

8 (b) A determination by the department under this section is not
 9 subject to administrative review or appeal, unless specifically
 10 authorized by rule of the department under section 12(a)(4) of this
 11 chapter, but is subject to judicial review as provided in IC 4-21.5-5.

12 Sec. 7. An adoptive child who is:

13 (1) a child with special needs based on a medical, physical, or
 14 emotional condition that existed before the filing of the
 15 adoption petition; and

16 (2) the beneficiary of an agreement for adoption subsidy
 17 under this chapter;

18 is eligible for Medicaid.

19 Sec. 8. (a) As a condition for continuation of subsidy payments
 20 under the agreement, the department may require the adoptive
 21 parents to submit a verified report, annually or at a time or times
 22 specified in the agreement, stating:

23 (1) the location of the parents;

24 (2) the location and condition of the child; and

25 (3) any additional information required by rule of the
 26 department or the agreement.

27 (b) The department may confirm the accuracy and veracity of
 28 the report from any reliable sources of information concerning the
 29 adoptive family and child, including any governmental or private
 30 agency that serves the area in which the child resides.

31 (c) If the report or information received by the department
 32 indicates a substantial change in the conditions that existed when
 33 the adoption subsidy agreement was signed, the department may,
 34 after notice to the adoptive parent or parents, modify or
 35 discontinue the adoption subsidy payments provided in the
 36 agreement.

37 Sec. 9. (a) Except as provided in this section, the term of any
 38 adoption subsidy agreement under this chapter, including any
 39 extension of the original term, ends when any of the following
 40 events occurs:

41 (1) The child becomes eighteen (18) years of age.

42 (2) The child becomes emancipated.

43 (3) The adoptive parent or parents are no longer providing
 44 financial support to the child.

45 (4) The child dies.

46 (5) The child's adoption is terminated.

47 (b) The department may continue the adoption subsidy

1 payments, in amounts determined by agreement among the
 2 department, the child, and the adoptive parents, during a time
 3 after the child becomes eighteen (18) years of age and before the
 4 child becomes twenty-one (21) years of age if:

5 (1) either:

6 (A) the child is enrolled in:

7 (i) a secondary school;

8 (ii) a public or private institution of higher education; or

9 (iii) a course of career or technical education leading to
 10 gainful employment; or

11 (B) the child needs continuing support and assistance for
 12 a physical, medical, or emotional condition that limits or
 13 prevents the child from becoming self-supporting; and

14 (2) the adoptive parent or parents:

15 (A) provide the principal source of financial support for
 16 the child's room, board, medical care, and other necessary
 17 living expenses; and

18 (B) are entitled to claim the child as a dependent on their
 19 federal or state income tax return or returns for the year
 20 in which the continued subsidy payments are made.

21 **Sec. 10. The department shall establish an adoption assistance**
 22 **account within the state family and children's fund established**
 23 **under IC 31-29-1, for the purpose of funding adoption subsidy**
 24 **payments under this chapter and the state's share of adoption**
 25 **assistance payments under 42 U.S.C. 673. The account consists of:**

26 (1) amounts specifically appropriated to the department by
 27 the general assembly for adoption assistance;

28 (2) amounts allocated by the department to the adoption
 29 assistance account from the funds available to the department
 30 from the state family and children's fund;

31 (3) amounts transferred to the department from adoption
 32 assistance accounts in county family and children's funds
 33 under IC 12-19-7 (before its repeal) that were used for
 34 payment of county adoption subsidies under IC 31-19-26
 35 (before its repeal) and the county share of federal adoption
 36 assistance payments under 42 U.S.C. 673; and

37 (4) any other amounts contributed or paid to the department
 38 for adoption assistance under this chapter.

39 **Sec. 11. (a) In determining the availability of funds in the**
 40 **adoption assistance account for payments of adoption subsidies**
 41 **under this chapter, the department shall give priority to payments**
 42 **required by court orders for county adoption subsidies entered**
 43 **under IC 31-19-26 (before its repeal).**

44 (b) The provisions of this chapter applicable to continuation,
 45 modification, or termination of adoption subsidy payments shall
 46 apply after January 1, 2009, to county adoption subsidy orders
 47 entered under IC 31-19-26 (before its repeal).

1 **Sec. 12. (a) The department shall adopt rules under IC 4-22-2,**
 2 **as needed, to carry out this chapter. The rules must include at least**
 3 **the following subjects:**

4 **(1) The application and determination process for subsidies or**
 5 **other assistance provided under this chapter.**

6 **(2) The standards for determination of a child with special**
 7 **needs.**

8 **(3) The process for determining the duration, extension,**
 9 **modification, and termination of agreements, as provided in**
 10 **sections 8 and 9 of this chapter.**

11 **(4) The procedure for administrative review and appeal of**
 12 **determinations made by the department under this chapter.**

13 **(5) The procedure for determining availability of funds for**
 14 **new subsidy agreements and continuation of existing**
 15 **agreements or orders under this chapter and IC 31-19-26**
 16 **(before its repeal), including any funding limitations or**
 17 **priorities as provided in section 4 of this chapter.**

18 **Sec. 13. This chapter does not affect:**

19 **(1) the legal status of an adoptive child;**

20 **(2) the rights and responsibilities of the adoptive parents as**
 21 **provided by law; or**

22 **(3) the eligibility of an adoptive child or adoptive parents for**
 23 **adoption assistance under Title IV-E of the Social Security**
 24 **Act (42 U.S.C. 673), federal and state regulations applicable**
 25 **to the Title IV-E adoption assistance program, or**
 26 **determination of the amount of any assistance provided by the**
 27 **department through the Title IV-E adoption assistance**
 28 **program.**

29 SECTION 375. IC 31-25-2-2, AS ADDED BY P.L.145-2006,
 30 SECTION 271, IS AMENDED TO READ AS FOLLOWS
 31 [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) The director may employ
 32 necessary personnel to carry out the department's responsibilities
 33 subject to:

34 (1) the budget agency's approval under IC 4-12-1-13; and

35 (2) IC 4-15-2.

36 **(b) The director shall appoint from eligible lists established by**
 37 **the state personnel department the number of assistants necessary**
 38 **to administer the duties, responsibilities, programs, and services of**
 39 **the department through a local office. The department shall**
 40 **determine the compensation of the assistants within the salary**
 41 **ranges of the pay plan adopted for the department by the state**
 42 **personnel department, and approved by the budget agency, with**
 43 **the advice of the budget committee, and within lawfully established**
 44 **appropriations.**

45 SECTION 376. IC 31-25-2-2.5 IS ADDED TO THE INDIANA
 46 CODE AS A NEW SECTION TO READ AS FOLLOWS
 47 [EFFECTIVE UPON PASSAGE]: **Sec. 2.5. The following are not**

1 **personally liable, except to the state, for an official act done or**
 2 **omitted in connection with performance of duties under this title:**

3 **(1) The director of the department.**

4 **(2) Other officers and employees of the department.**

5 SECTION 377. IC 31-25-2-7, AS ADDED BY P.L.145-2006,
 6 SECTION 271, IS AMENDED TO READ AS FOLLOWS
 7 [EFFECTIVE UPON PASSAGE]: Sec. 7. **(a)** The department is
 8 responsible for the following:

9 (1) Providing child protection services under this article.

10 (2) Providing and administering child abuse and neglect
 11 prevention services.

12 (3) Providing and administering child services. ~~(as defined in~~
 13 ~~IC 12-19-7-1).~~

14 (4) Providing and administering family services.

15 (5) Providing family preservation services under IC 31-26-5.

16 (6) Regulating and licensing the following under IC 31-27:

17 (A) Child caring institutions.

18 (B) Foster family homes.

19 (C) Group homes.

20 (D) Child placing agencies.

21 (7) Administering the state's plan for the administration of Title
 22 IV-D of the federal Social Security Act (42 U.S.C. 651 et seq.).

23 (8) Administering foster care services.

24 (9) Administering independent living services (as described in 42
 25 U.S.C. 677 et seq.).

26 (10) Administering adoption services.

27 **(11) Providing and administering services to children**
 28 **adjudicated as juvenile delinquents under IC 31-37, subject to**
 29 **IC 31-40-1.**

30 **(12) Paying for programs and services as provided under**
 31 **IC 31-40.**

32 **(b) This chapter does not authorize or require the department**
 33 **to:**

34 **(1) investigate or report on proceedings under IC 31-17-2; or**

35 **(2) otherwise monitor child custody or visitation in dissolution**
 36 **of marriage proceedings.**

37 **(c) This chapter does not authorize or require the department**
 38 **to:**

39 **(1) conduct home studies; or**

40 **(2) otherwise participate in guardianship proceedings under**
 41 **IC 29-3;**

42 **other than those over which the juvenile court has jurisdiction**
 43 **under IC 29-3-2-1(c) or IC 31-30-1-1(10).**

44 SECTION 378. IC 31-25-2-19, AS ADDED BY P.L.145-2006,
 45 SECTION 271, IS AMENDED TO READ AS FOLLOWS
 46 [EFFECTIVE JANUARY 1, 2009]: Sec. 19. (a) The department may
 47 charge the following adoption fees:

(1) An adoption placement fee that may not exceed the actual costs incurred by the ~~county office~~ **department** for medical expenses of children and mothers.

(2) A fee that does not exceed the time and travel costs incurred by the ~~county office~~ **department** for home study and investigation concerning a contemplated adoption.

(b) Fees charged under this section shall be deposited in a ~~separate account~~ in the ~~county family and children child~~ trust clearance ~~fund account~~ established under ~~IC 12-19-1-16~~. **IC 31-25-2-20.2**. Money deposited under this subsection shall be expended by the department for the following purposes without further appropriation:

(1) The care of children whose adoption is contemplated.

(2) The improvement of adoption services provided by the department.

(c) The director may adopt rules governing the expenditure of money under this section.

(d) The department may ~~provide written authorization allowing a county office to~~ reduce or waive charges authorized under this section in hardship cases or for other good cause after investigation. The department may adopt forms on which the written authorization is provided.

SECTION 379. IC 31-25-2-20.1 IS ADDED TO THE INDIANA CODE AS A **NEW SECTION TO READ AS FOLLOWS** [EFFECTIVE JANUARY 1, 2009]: **Sec. 20.1. (a) The department may receive and administer a gift, devise, or bequest of personal property, including the income from real property, that is:**

(1) to or for the benefit of a home or an institution in which formerly abused or neglected children are cared for under the supervision of the department; or

(2) for the benefit of children who are committed to the care or supervision of the department.

(b) The department may invest or reinvest money received under this section in the same types of securities in which life insurance companies are authorized by law to invest the money of the life insurance companies.

(c) The following shall be kept in the child trust clearance account established under section 20.2 of this chapter and may not be commingled with any other fund or account or with money received from taxation:

(1) All money received by the department under this section.

(2) All money, proceeds, or income realized from real property or other investments.

(d) Subject to the approval of the director, money described in subsection (c)(1) or (c)(2) may be expended by the department in any manner consistent with the purposes of the child trust clearance account and with the intention of the donor.

SECTION 380. IC 31-25-2-20.2 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: **Sec. 20.2. (a) This section does not apply to:**

(1) money received before January 1, 2009, to reimburse the county family and children's fund for expenditures made from the appropriations of the counties; or

(2) money received after December 31, 2008, to reimburse the state family and children's fund for expenditures made by the department for child services.

(b) The department may receive and administer money available to or for the benefit of a person receiving payments or services from the department. The following apply to all money received under this section:

(1) The money shall be kept in a special account with the state family and children's fund known as the child trust clearance account and may not be commingled with any other money in the fund or with money received from taxation.

(2) The money may be expended by the department in any manner consistent with the following:

(A) The purpose of the child trust clearance account or with the intention of the donor of the money.

(B) Indiana law.

SECTION 381. IC 31-26-2-10, AS ADDED BY P.L.145-2006, SECTION 272, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: **Sec. 10. (a) Upon the completion of an investigation under section 9 of this chapter, the ~~county office~~ department shall do the following:**

(1) Determine whether the child is eligible for assistance under this chapter and the department's rules.

(2) Determine the amount of the assistance and the date on which the assistance is to begin.

(3) Make an award, including any subsequent modification of the award, with which the department shall comply until the award or modified award is vacated.

(4) Notify the applicant and the department of the county office's decision in writing.

(b) The ~~county office~~ **department** shall provide assistance to the recipient at least monthly upon warrant of the ~~county~~ auditor of state. The assistance must be

(1) made from the ~~county state~~ family and children's fund. ~~and~~

(2) based on a verified schedule of the recipients.

(c) ~~The director of the county office shall prepare and verify the amount payable to the recipient; in relation to the awards made by the county office. The department shall prescribe the form on which the schedule under subsection (b)(2) must be filed.~~

1 SECTION 382. IC 31-26-3.5 IS ADDED TO THE INDIANA
2 CODE AS A NEW CHAPTER TO READ AS FOLLOWS
3 [EFFECTIVE JULY 1, 2008]:

4 **Chapter 3.5. Child Welfare Programs**

5 **Sec. 1. As used in this chapter, "child welfare program" means**
6 **a program or an activity that is:**

7 (1) not a component of child services provided to or for the
8 benefit of a particular child or family; and

9 (2) designed to serve groups or categories of children or
10 families in a community for purposes as described in section
11 2 of this chapter.

12 **Sec. 2. A child welfare program may be established and funded**
13 **by the department for any of the following purposes:**

14 (1) Protecting and promoting the welfare of children in a
15 community who are, or are likely to be, at risk of becoming
16 homeless, neglected, or abused due to lack of adequate or
17 appropriate parental support or supervision, in order to
18 reduce the likelihood that the children will become wards of
19 a juvenile court or the department.

20 (2) Preventing, remedying, or assisting in the solution of
21 problems that may result in the neglect, abuse, exploitation,
22 or delinquency of children.

23 (3) Preventing unnecessary separation of children from their
24 families by identifying family problems, assisting in the
25 resolution of family problems, and preventing breakup of
26 families whenever prevention of child removal is possible and
27 desirable.

28 (4) Providing services targeted to assistance of children who
29 are developmentally or physically disabled and their families,
30 for the purposes of prevention of potential abuse, neglect or
31 abandonment of those children, and enabling the children to
32 receive adequate family support and preparation to become
33 self-supporting to the extent feasible.

34 (5) Providing family preservation services or family support
35 services (as defined in 42 U.S.C. 629a) for families and
36 children who are not currently receiving individually designed
37 services provided or funded by the department through an
38 open juvenile court child in need of services or delinquency
39 case.

40 **Sec. 3. (a) An application to establish a new child welfare**
41 **program, or to continue or modify an existing child welfare**
42 **program, may be submitted by a court, county executive, private**
43 **nonprofit agency or organization, or an interested person based on**
44 **guidelines and instructions issued by the department. Except as**
45 **provided in subsection (b), the application shall be transmitted to**
46 **the regional services council or councils for the county, region, or**
47 **geographic area of Indiana that the applicant proposes to serve.**

1 Each regional services council must review and submit its
 2 recommendations to the director in conformity with procedures
 3 established by the department.

4 (b) An application to establish, continue, or modify a program
 5 that will operate on a statewide basis shall be submitted directly to
 6 the director of the department for review and evaluation.

7 Sec. 4. A child welfare program must be approved by the
 8 director of the department or the director's designee. The
 9 director's approval shall specify the period for which operation of
 10 the program is approved and the procedure for submission of any
 11 request for continuation, extension, or modification of the
 12 approved program. The department may not pay for the costs of
 13 any programs that have not been approved by the director.

14 Sec. 5. The department shall establish policies and procedures
 15 for periodic review and evaluation of approved child welfare
 16 programs, including evaluation of the effectiveness and results of
 17 the program activities, as part of the consideration of any
 18 application to continue or modify the program.

19 Sec. 6. (a) The department shall establish a child welfare
 20 program fund to receive money for establishment and operation of
 21 child welfare programs. Receipts credited to the child welfare
 22 program fund may be derived from the following sources:

23 (1) Any appropriation made by the general assembly that is
 24 specifically designated for child welfare programs.

25 (2) Any part of the state family and children's fund
 26 established under IC 31-29-1 that is set aside and allocated by
 27 the department for child welfare programs, at the discretion
 28 of the director.

29 (3) Any part of federal grant funds received by the
 30 department through Title IV-B Parts 1 and 2 of the Social
 31 Security Act (42 U.S.C. 620 et seq.) that is allocated by the
 32 department for child welfare programs under this chapter at
 33 the discretion of the director, subject to the terms and
 34 conditions of the grant.

35 (4) Any gifts received by the department from individuals or
 36 nongovernmental organizations, for purposes of child welfare
 37 programs. The department may receive and administer any
 38 gifts earmarked for specifically designated child welfare
 39 programs, in accordance with the terms of the gift.

40 (b) Any appropriation made by the general assembly for the
 41 child welfare services fund shall remain in the child welfare fund
 42 until expended and does not revert to the state general fund at the
 43 expiration of the state fiscal year for which with appropriation was
 44 made.

45 Sec. 7. The department may adopt rules under IC 4-22-2 that
 46 may be necessary or appropriate to implement any provisions of
 47 this chapter.

1 SECTION 383. IC 31-29 IS ADDED TO THE INDIANA CODE AS
 2 A NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE
 3 JANUARY 1, 2009]:

4 **ARTICLE 29. CHILD SERVICES: FUNDING**

5 **Chapter 1. State Family and Children's Fund**

6 **Sec. 1. As used in this chapter, "child services" means the**
 7 **following:**

8 (1) Services specifically provided by or on behalf of the
 9 department for or on behalf of children who are:

10 (A) adjudicated to be:

11 (i) children in need of services under IC 31-34; or

12 (ii) delinquent children under IC 31-37;

13 (B) parties in a child in need of services case filed under
 14 IC 31-34 or in a delinquency case filed under IC 31-37
 15 before adjudication or entry of a dispositional decree;

16 (C) subject to temporary care or supervision by the
 17 department under any applicable provision of IC 31-33,
 18 IC 31-34, or IC 31-37;

19 (D) recipients or beneficiaries of a program of informal
 20 adjustment approved under IC 31-34-8 or IC 31-37-9; or

21 (E) recipients or beneficiaries of:

22 (i) adoption assistance under Title IV-E of the federal
 23 Social Security Act, 42 U.S.C. 673, as amended;

24 (ii) adoption subsidies or assistance under IC 31-19-26.5;
 25 or

26 (iii) assistance, including emergency assistance or
 27 assisted guardianships, provided under Title IV-A of the
 28 federal Social Security Act, 42 U.S.C. 601 et seq., as
 29 amended.

30 (2) Costs of using an institution or facility in Indiana for
 31 providing educational services to children described in
 32 subdivision (1)(A), under either IC 20-33-2-29 (if applicable)
 33 or IC 20-26-11-13 (if applicable).

34 (3) Assistance awarded by the department to a destitute child
 35 under IC 31-26-2.

36 **Sec. 2. As used in this chapter, "fund" refers to a family and**
 37 **children's fund established by this chapter.**

38 **Sec. 3. (a) The state family and children's fund is established.**

39 **(b) The fund consists of the following:**

40 (1) All amounts appropriated by the general assembly for
 41 deposit in the fund, including amounts appropriated for child
 42 welfare programs under IC 31-26-3.5 or child services.

43 (2) All amounts transferred to the fund after December 31,
 44 2008, from county family and children's funds established
 45 under IC 12-19-7 (before its repeal).

46 (3) All grants received from the federal government under
 47 Title IV-B of the Social Security Act, (42 U.S.C. 620 et seq.),

1 the Child Abuse and Prevention and Treatment Act, (42
2 U.S.C. 5106 et seq.), or any other federal or state government
3 program that:

4 (A) is intended to provide funding for services and
5 programs administered by the department; and

6 (B) is not required by applicable law or the terms of the
7 grant to be received and administered through a separate
8 fund.

9 (4) All funds received by the department under Title IV-E of
10 the Social Security Act (42 U.S.C. 670 et seq.) as payment or
11 reimbursement for eligible expenses for child services.

12 (5) All reimbursements or support payments collected or
13 received by the department for application to the cost of
14 services provided to or for the benefit of children in need of
15 services or delinquent children.

16 (6) Any money received by the department as a grant or gift
17 from any agency, organization, or person that is designated
18 for child services provided by the department.

19 (7) Any other money required by law to be placed in the fund.

20 (c) The fund is available for the purpose of paying expenses and
21 obligations for child services and child welfare programs, as
22 provided in the annual budget approved under this chapter.

23 (d) Money in the fund at the end of a state fiscal year does not
24 revert to the state general fund.

25 Sec. 4. The budget agency, after review by the state budget
26 committee, may authorize augmentation of the fund by transfer of
27 additional amounts from the state general fund that the budget
28 agency approves, after review by the budget committee, for
29 purposes of payment of obligations incurred or to be incurred by
30 the department for child services during the remainder of the fiscal
31 year.

32 SECTION 384. IC 31-31-8-3 IS AMENDED TO READ AS
33 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 3. (a) The
34 juvenile court may establish juvenile detention and shelter care
35 facilities for children, except as provided by IC 31-31-9.

36 (b) The court may contract with other agencies to provide juvenile
37 detention and shelter care facilities.

38 (c) If the juvenile court operates the juvenile detention and shelter
39 care facilities, the judge shall appoint staff and determine the budgets.

40 (d) The county shall pay all expenses. The expenses for the juvenile
41 detention facility shall be paid from the county general fund. Payment
42 of the expenses for the juvenile detention facility may not be paid from
43 the ~~county state~~ family and children's fund. ~~established by~~
44 ~~IC 12-19-7-3.~~

45 SECTION 385. IC 31-31-8-4 IS AMENDED TO READ AS
46 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 4. (a) This section
47 applies to a county having a population of more than one hundred ten

1 thousand (110,000) but less than one hundred fifteen thousand
2 (115,000).

3 (b) Notwithstanding section 3 of this chapter, the juvenile court
4 shall operate a juvenile detention facility or juvenile shelter care
5 facility established in the county. However, the county legislative body
6 shall determine the budget for the juvenile detention facility or juvenile
7 shelter care facility. The expenses for the juvenile detention facility
8 shall be paid from the county general fund. Payment of the expenses for
9 the juvenile detention facility may not be paid from the ~~county state~~
10 family and children's fund. ~~established by IC 12-19-7-3.~~

11 SECTION 386. IC 31-33-3-1, AS AMENDED BY P.L.234-2005,
12 SECTION 102, IS AMENDED TO READ AS FOLLOWS
13 [EFFECTIVE JULY 1, 2008]: Sec. 1. (a) **A community child**
14 **protection team is established in each county.** The community child
15 protection team is a communitywide, multidisciplinary child protection
16 team. The team must include the following ~~eleven (11)~~ **twelve (12)**
17 members:

18 (1) The director of the ~~county local office of family and children~~
19 **that provides child welfare services in the county** or the ~~county~~
20 **local office** director's designee.

21 (2) ~~Two (2) designees of the~~ **One (1) juvenile court judge or the**
22 **designee of the juvenile court judge.**

23 (3) The county prosecuting attorney or the prosecuting attorney's
24 designee.

25 (4) The county sheriff or the sheriff's designee.

26 (5) Either:

27 (A) the president of the county executive in a county not
28 containing a consolidated city or the president's designee; or

29 (B) the executive of a consolidated city in a county containing
30 a consolidated city or the executive's designee.

31 (6) A director of a court appointed special advocate or guardian
32 ad litem program or the director's designee in the county in which
33 the team is to be formed.

34 (7) Either:

35 (A) a public school superintendent or the superintendent's
36 designee; or

37 (B) a director of a local special education cooperative or the
38 director's designee.

39 (8) Two (2) persons, each of whom is a physician or nurse, with
40 experience in pediatrics or family practice.

41 (9) ~~One (1) citizen~~ **Two (2) citizens** of the community.

42 **(10) The chief law enforcement officer of the largest law**
43 **enforcement agency in the county other than the county**
44 **sheriff.**

45 (b) The director of the ~~county local office of family and children~~
46 **serving the county** shall appoint, subject to the approval of the director

of the department, the members of the team under subsection (a)(7), (a)(8), and (a)(9).

SECTION 387. IC 31-33-3-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 7. (a) The community child protection ~~team's duties may include preparing~~ **team shall prepare** a periodic report regarding the child abuse and neglect reports and complaints that the team reviews under this chapter.

(b) The periodic report may include the following information:

(1) The number of complaints under section 6 of this chapter that the team receives and reviews each month.

(2) A description of the child abuse and neglect reports that the team reviews each month, including the following information:

(A) The scope and manner of the interviewing process during the child abuse or neglect investigation.

(B) The timeliness of the investigation.

(C) The number of children removed from the home.

(D) The types of services offered.

(E) The number of child abuse and neglect cases filed with a court.

(F) The reasons that certain child abuse and neglect cases are not filed with a court.

Reports must be completed following each meeting of the team and submitted to the regional service council for the region that includes the county served by the team.

SECTION 388. IC 31-33-4-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 1. Before February 2 of each odd-numbered year, each ~~county office of family and children;~~ **regional services council**, after a public hearing, shall:

(1) prepare a local plan for the provision of child protection services; and

(2) submit the plan to:

(A) the director; ~~after consultation with local law enforcement agencies;~~

(B) a juvenile court;

(C) the community child protection team as provided for in IC 31-33-3-1; and

(D) appropriate public or voluntary agencies, including organizations for the prevention of child abuse or neglect.

SECTION 389. IC 31-33-4-2, AS AMENDED BY P.L.145-2006, SECTION 279, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 2. The local plan must describe the implementation of this article in the ~~county region~~ **county region** by the department, ~~and the county office~~ including the following:

(1) Organization.

(2) Staffing.

(3) Mode of operations.

1 (4) Financing of the child protection services.

2 (5) The provisions made for the purchase of service and
3 interagency relations.

4 SECTION 390. IC 31-33-21-1 IS AMENDED TO READ AS
5 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 1. The costs of
6 any services ~~ordered by the court approved or arranged by the~~
7 **department** for any child or the child's parent, guardian, or custodian
8 shall be paid according to IC 31-40.

9 SECTION 391. IC 31-34-4-2, AS AMENDED BY P.L.52-2007,
10 SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
11 JANUARY 1, 2009]: Sec. 2. (a) If a child alleged to be a child in need
12 of services is taken into custody under an order of the court under this
13 chapter **and the court orders out-of-home placement**, the ~~court~~
14 **department shall be responsible for such placement and care and**
15 consider placing the child with a:

16 (1) suitable and willing blood or an adoptive relative caretaker,
17 including a grandparent, an aunt, an uncle, or an adult sibling;

18 (2) de facto custodian; or

19 (3) stepparent;

20 before considering any other out-of-home placement.

21 (b) Before ~~placing the department places~~ a child in need of
22 services with a blood relative or an adoptive relative caretaker, a de
23 facto custodian, or a stepparent, ~~the court may order the department to:~~

24 ~~(1) shall complete a home study of the relative's home. and~~

25 ~~(2) provide the court with a placement recommendation.~~

26 (c) Except as provided in subsection (e), before placing a child in
27 need of services in an out-of-home placement, including placement
28 with a blood or an adoptive relative caretaker, a de facto custodian, or
29 a stepparent, ~~the court shall order~~ the department **to shall** conduct a
30 criminal history check of each person who is currently residing in the
31 location designated as the out-of-home placement.

32 (d) Except as provided in subsection (f), ~~a court the department~~
33 may not **order make** an out-of-home placement if a person described
34 in subsection (c) has:

35 (1) committed an act resulting in a substantiated report of child
36 abuse or neglect; or

37 (2) been convicted of a felony listed in IC 31-27-4-13 or had a
38 juvenile adjudication for an act that would be a felony listed in
39 IC 31-27-4-13 if committed by an adult.

40 (e) The court is not required to order the department to conduct a
41 criminal history check under subsection (c) if the ~~court orders~~
42 **department makes** an out-of-home placement to an entity or a facility
43 that is not a residence (as defined in IC 3-5-2-42.5) or that is licensed
44 by the state.

45 (f) ~~A court may order~~ **The department may approve** an
46 out-of-home placement if:

- 1 (1) a person described in subsection (c) has:
 - 2 (A) committed an act resulting in a substantiated report of
 - 3 child abuse or neglect; or
 - 4 (B) been convicted or had a juvenile adjudication for:
 - 5 (i) reckless homicide (IC 35-42-1-5);
 - 6 (ii) battery (IC 35-42-2-1) as a Class C or D felony;
 - 7 (iii) criminal confinement (IC 35-42-3-3) as a Class C or D
 - 8 felony;
 - 9 (iv) arson (IC 35-43-1-1) as a Class C or D felony;
 - 10 (v) a felony involving a weapon under IC 35-47 or
 - 11 IC 35-47.5 as a Class C or D felony;
 - 12 (vi) a felony relating to controlled substances under
 - 13 IC 35-48-4 as a Class C or D felony; or
 - 14 (vii) a felony that is substantially equivalent to a felony
 - 15 listed in items (i) through (vi) for which the conviction was
 - 16 entered in another state; and
 - 17 (2) the court makes a written finding that the person's commission
 - 18 of the offense, delinquent act, or act of abuse or neglect described
 - 19 in subdivision (1) is not relevant to the person's present ability to
 - 20 care for a child, and that the placement is in the best interest of
 - 21 the child.

22 However, ~~a court~~ **the department** may not ~~order make~~ an out-of-home
 23 placement if the person has been convicted of a felony listed in
 24 IC 31-27-4-13 that is not specifically excluded under subdivision
 25 (1)(B), or has a juvenile adjudication for an act that would be a felony
 26 listed in IC 31-27-4-13 if committed by an adult that is not specifically
 27 excluded under subdivision (1)(B).

28 (g) In making its written finding under subsection (f), the court shall
 29 consider the following:

- 30 (1) The length of time since the person committed the offense,
- 31 delinquent act, or abuse or neglect.
- 32 (2) The severity of the offense, delinquent act, or abuse or neglect.
- 33 (3) Evidence of the person's rehabilitation, including the person's
- 34 cooperation with a treatment plan, if applicable.

35 SECTION 392. IC 31-34-5-3 IS AMENDED TO READ AS
 36 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 3. **(a)** The
 37 juvenile court shall release the child to the child's parent, guardian, or
 38 custodian. However, the court may order the child detained if the court
 39 makes written findings of fact upon the record of probable cause to
 40 believe that the child is a child in need of services and that:

- 41 (1) detention is necessary to protect the child;
- 42 (2) the child is unlikely to appear before the juvenile court for
- 43 subsequent proceedings;
- 44 (3) the child has a reasonable basis for requesting that the child
- 45 not be released;
- 46 (4) the parent, guardian, or custodian:

- 1 (A) cannot be located; or
- 2 (B) is unable or unwilling to take custody of the child; or
- 3 (5) consideration for the safety of the child precludes the use of
- 4 family services to prevent removal of the child.

5 **(b) The juvenile court shall include in any order approving or**
 6 **requiring detention of a child all findings and conclusions required**
 7 **under:**

- 8 **(1) applicable provisions of Title IV-E of the federal Social**
 9 **Security Act (42 U.S.C. 670 et seq.); or**
- 10 **(2) any applicable federal regulation assistance under Title**
 11 **IV-E or any other federal law, including 45 CFR 1356.21;**
 12 **as a condition of eligibility of a child in need of services for**
 13 **assistance under Title IV-E or any other federal law.**

14 **(c) Inclusion in a juvenile court order of language approved and**
 15 **recommended by the judicial conference of Indiana, in relation to:**

- 16 **(1) removal from the child's home; or**
- 17 **(2) detention;**
 18 **of a child who is alleged to be, or adjudicated as, a child in need of**
 19 **services constitutes compliance with subsection (b).**

20 SECTION 393. IC 31-34-6-2 IS AMENDED TO READ AS
 21 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 2. ~~A court~~ **The**
 22 **department** shall consider placing a child alleged to be a child in need
 23 of services with an appropriate family member of the child before
 24 considering any other placement for the child.

25 SECTION 394. IC 31-34-6-3 IS AMENDED TO READ AS
 26 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 3. ~~A court~~ **The**
 27 **department** may not place a child in:

- 28 (1) a community based correctional facility for children;
- 29 (2) a juvenile detention facility;
- 30 (3) a secure facility;
- 31 (4) a secure private facility; or
- 32 (5) a shelter care facility;

33 that is located outside the child's county of residence unless placement
 34 of the child in a comparable facility with adequate services located in
 35 the child's county of residence is unavailable or the child's county of
 36 residence does not have an appropriate comparable facility with
 37 adequate services.

38 SECTION 395. IC 31-34-8-1 IS AMENDED TO READ AS
 39 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 1. **(a)** After the
 40 preliminary inquiry and upon approval by the juvenile court, the intake
 41 officer may implement a program of informal adjustment if the officer
 42 has probable cause to believe that the child is a child in need of
 43 services.

44 **(b) If the juvenile court denies a program of informal**
 45 **adjustment, the court shall state its reasons for the denial. The**
 46 **reasons may include that:**

1 **(1) the juvenile court finds no probable cause to believe that**
 2 **the child is a child in need of services; or**

3 **(2) the juvenile court finds that the coercive intervention of**
 4 **the juvenile court is required.**

5 **(c) If the juvenile court does not act to approve or deny a**
 6 **program of informal adjustment within ten (10) days of its**
 7 **submission to the juvenile court, the program of informal**
 8 **adjustment is considered approved.**

9 SECTION 396. IC 31-34-8-3 IS AMENDED TO READ AS
 10 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 3. (a) Upon the filing
 11 of a petition for compliance and after notice and a hearing on the
 12 petition for compliance, the juvenile court may order the parent,
 13 guardian, or custodian of a child to participate in a program of informal
 14 adjustment ~~approved by the court~~ **implemented** under section 1 of this
 15 chapter.

16 (b) A parent, guardian, or custodian who fails to participate in a
 17 program of informal adjustment ~~ordered by the court after being~~
 18 **ordered under subsection (a) to participate** may be found in
 19 contempt of court.

20 SECTION 397. IC 31-34-8-6 IS AMENDED TO READ AS
 21 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 6. A program of
 22 informal adjustment may not exceed six (6) months, except by approval
 23 of the juvenile court. The juvenile court may extend a program of
 24 informal adjustment an additional ~~six (6)~~ **three (3)** months.

25 SECTION 398. IC 31-34-8-7, AS AMENDED BY P.L.234-2005,
 26 SECTION 179, IS AMENDED TO READ AS FOLLOWS
 27 [EFFECTIVE JULY 1, 2008]: Sec. 7. (a) Not later than five (5) months
 28 after a ~~court approves~~ **the department implements** a program of
 29 informal adjustment under this chapter, the department ~~of child~~
 30 **services** shall file with the court a report indicating the extent of
 31 compliance with the program.

32 (b) If the court ~~extends~~ **approves an extension of** the period of the
 33 informal adjustment under section 6 of this chapter, the department ~~of~~
 34 **child services** shall file a supplemental report not later than eleven (11)
 35 months after the ~~court initially approves~~ **department implements** the
 36 program of informal adjustment updating the court on the status of a
 37 person's compliance with the program.

38 SECTION 399. IC 31-34-9-1, AS AMENDED BY P.L.145-2006,
 39 SECTION 294, IS AMENDED TO READ AS FOLLOWS
 40 [EFFECTIVE JULY 1, 2008]: Sec. 1. ~~The prosecuting attorney or~~ The
 41 attorney for the department:

42 (1) may request the juvenile court to authorize the filing of a
 43 petition alleging that a child is a child in need of services; and

44 (2) shall represent the interests of the state at this proceeding and
 45 at all subsequent proceedings on the petition.

46 SECTION 400. IC 31-34-18-1 IS AMENDED TO READ AS

1 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 1. (a) Upon
 2 finding that a child is a child in need of services, the juvenile court
 3 shall order ~~a probation officer~~ or a caseworker to prepare a
 4 predispositional report that contains a:

- 5 (1) statement of the needs of the child for care, treatment,
 6 rehabilitation, or placement; and
- 7 (2) recommendation for the care, treatment, rehabilitation, or
 8 placement of the child.

9 (b) Any of the following may prepare an alternative report for
 10 consideration by the court:

- 11 (1) The child.
- 12 (2) The child's:
 - 13 (A) parent;
 - 14 (B) guardian;
 - 15 (C) guardian ad litem;
 - 16 (D) court appointed special advocate; or
 - 17 (E) custodian.

18 SECTION 401. IC 31-34-18-2 IS AMENDED TO READ AS
 19 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 2. (a) In addition
 20 to providing the court with a recommendation for the care, treatment,
 21 or rehabilitation of the child, the person preparing the report shall
 22 consider the necessity, nature, and extent of the participation by a
 23 parent, guardian, or custodian in a program of care, treatment, or
 24 rehabilitation for the child.

25 (b) If a ~~probation officer~~ or caseworker believes that an out-of-home
 26 placement would be appropriate for a child in need of services, the
 27 ~~probation officer~~ or caseworker shall consider whether the child should
 28 be placed with the child's suitable and willing blood or adoptive
 29 relative caretaker, including a grandparent, an aunt, an uncle, or an
 30 adult sibling, before considering other out-of-home placements for the
 31 child.

32 SECTION 402. IC 31-34-18-3 IS AMENDED TO READ AS
 33 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 3. The ~~probation~~
 34 ~~officer~~ or caseworker shall also prepare a financial report on the parent
 35 or the estate of the child to assist the juvenile court in determining the
 36 person's financial responsibility for services provided for the child or
 37 the person.

38 SECTION 403. IC 31-34-18-6.1, AS AMENDED BY P.L.145-2006,
 39 SECTION 308, IS AMENDED TO READ AS FOLLOWS
 40 [EFFECTIVE JANUARY 1, 2009]: Sec. 6.1. (a) The predispositional
 41 report prepared by a ~~probation officer~~ or caseworker ~~shall~~ **must** include
 42 the following information:

- 43 (1) A description of all dispositional options considered in
 44 preparing the report.
- 45 (2) An evaluation of each of the options considered in relation to
 46 the plan of care, treatment, rehabilitation, or placement

recommended under the guidelines described in section 4 of this chapter.

(3) The name, occupation and position, and any relationship to the child of each person with whom the preparer of the report conferred as provided in section 1.1 of this chapter.

(b) If a ~~probation officer~~ or a caseworker is considering an out-of-home placement, including placement with a blood or an adoptive relative caretaker, the ~~probation officer~~ or caseworker shall conduct a criminal history check (as defined in IC 31-9-2-22.5) for each person who is currently residing in the location designated as the out-of-home placement. The results of the criminal history check must be included in the predispositional report.

(c) A ~~probation officer~~ or caseworker is not required to conduct a criminal history check under this section if:

(1) the ~~probation officer~~ or caseworker is considering only an out-of-home placement to an entity or facility that:

(A) is not a residence (as defined in IC 3-5-2-42.5); or

(B) is licensed by the state; or

(2) placement under this section is undetermined at the time the predispositional report is prepared.

SECTION 211. IC 31-34-19-6.1 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: **Sec 6.1. (a) Before entering its dispositional decree, the juvenile court shall do the following:**

(1) Consider the recommendations for the needs of the child for care, treatment, rehabilitation, or placement made by the department in the department's predispositional report.

(2) Consider the recommendations for the needs of the child for care, treatment, rehabilitation, or placement made by the parent, guardian or custodian, guardian ad litem or court appointed special advocate, foster parent, other caretaker of the child, or other party to the proceeding.

(3) If the juvenile court determines that the best interests of the child require consideration of other dispositional options, submit the juvenile court's own recommendations for care, treatment, rehabilitation, or placement of the child.

(b) If the juvenile court accepts the recommendations in the department's predispositional report, the juvenile court shall enter its dispositional decree with its findings and conclusions under section 10 of this chapter.

(c) If, during or after conclusion of the dispositional hearing, the juvenile court does not accept the recommendations of the department as set out under subsection (a) in the predispositional report and states that the juvenile court wants the department to consider the recommendations made under subsection (a)(2) or (a)(3), the dispositional hearing shall be continued for not more than seven (7) business days after service of notice of the juvenile

1 court's determination. The department shall consider the
 2 recommendations received from the juvenile court and submit to
 3 the juvenile court a supplemental predispositional report stating
 4 the department's final recommendations and reasons for accepting
 5 or rejecting the recommendations received from the juvenile court.
 6 If the juvenile court accepts the recommendations in the
 7 department's supplemental report, the juvenile court may adopt
 8 the recommendations as its findings and enter its dispositional
 9 decree.

10 (d) The juvenile court shall accept each final recommendation
 11 of the department contained in a supplemental predispositional
 12 report submitted under subsection (c), unless the juvenile court
 13 finds that a recommendation is:

14 (1) unreasonable, based on the facts and circumstances of the
 15 case; or

16 (2) contrary to the welfare and best interests of the child.

17 (e) If the juvenile court does not accept one (1) or more of the
 18 department's final recommendations contained in the department's
 19 supplemental predispositional report, the juvenile court shall:

20 (1) enter its dispositional decree with its written findings and
 21 conclusions under sections 6 and 10 of this chapter; and

22 (2) specifically state why the juvenile court is not accepting
 23 the final recommendations of the department.

24 (f) If the juvenile court enters its findings and decree under
 25 subsection (e), the department may appeal the juvenile court's
 26 decree under any available procedure provided by the Indiana
 27 Rules of Court or Rules of Appellate Procedure to allow any
 28 disputes arising under this section to be decided in an expeditious
 29 manner.

30 SECTION 404. IC 31-34-20-1, AS AMENDED BY P.L.52-2007,
 31 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 32 JANUARY 1, 2009]: Sec. 1. (a) Subject to **this section and** section 1.5
 33 of this chapter, if a child is a child in need of services, the juvenile
 34 court may enter one (1) or more of the following dispositional decrees:

35 (1) Order supervision of the child by ~~the probation department or~~
 36 ~~the county office or~~ the department.

37 (2) Order the child to receive outpatient treatment:

38 (A) at a social service agency or a psychological, a psychiatric,
 39 a medical, or an educational facility; or

40 (B) from an individual practitioner.

41 (3) Remove the child from the child's home and **authorize the**
 42 **department to** place the child in another home or shelter care
 43 facility. Placement under this subdivision includes authorization
 44 to control and discipline the child.

45 (4) Award wardship ~~to a person or shelter care facility of the~~
 46 **child to the department for supervision, care, and placement.**

47 (5) Partially or completely emancipate the child under section 6

of this chapter.

(6) Order

~~(A) the child; or~~

~~(B) the child's parent, guardian, or custodian~~

to ~~receive family complete services recommended by the department and approved by the court under IC 31-34-16, IC 31-34-18, and IC 31-34-19.~~

(7) Order a person who is a party to refrain from direct or indirect contact with the child.

(8) Order a perpetrator of child abuse or neglect to refrain from returning to the child's residence.

(b) A juvenile court may not place a child in a home or facility that is located outside Indiana unless the placement is recommended or approved by the:

(1) director of the department; or

(2) director's designee.

(c) If a dispositional decree under this section:

(1) orders or approves removal of a child from the child's home or awards wardship of the child to the department; and

(2) is the first juvenile court order in the child in need of services proceeding that authorizes or approves removal of the child from the child's parent, guardian, or custodian;

the juvenile court shall include in the decree the appropriate findings and conclusions described in IC 31-34-5-3(b).

SECTION 405. IC 31-34-20-1.5, AS AMENDED BY P.L.1-2007, SECTION 207, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 1.5. (a) Except as provided in subsection (d), the juvenile court may not enter a dispositional decree ~~placing that approves placement of~~ a child in another home under section ~~1(3)~~ **1(a)(3)** of this chapter or awarding wardship to a ~~county office or~~ the department that will place the child ~~with a person under section 1(4) of this chapter~~ if a person who is currently residing in the home in which the child would be placed under section ~~1(3) or 1(4)~~ **1(a)(3)** of this chapter has committed an act resulting in a substantiated report of child abuse or neglect, has a juvenile adjudication for an act that would be a felony listed in IC 31-27-4-13 if committed by an adult, or has a conviction for a felony listed in IC 31-27-4-13.

(b) The juvenile court shall order the ~~probation officer or~~ caseworker who prepared the predispositional report to conduct a criminal history check (as defined in IC 31-9-2-22.5) to determine if a person described in subsection (a) has committed an act resulting in a substantiated report of child abuse or neglect, has a juvenile adjudication for an act that would be a felony listed in IC 31-27-4-13 if committed by an adult, or has a conviction for a felony listed in IC 31-27-4-13. However, the juvenile court is not required to order a criminal history check under this section if criminal history information

under IC 31-34-4-2 or IC 31-34-18-6.1 establishes whether a person described in subsection (a) has committed an act resulting in a substantiated report of child abuse or neglect, has a juvenile adjudication for an act that would be a felony listed in IC 31-27-4-13 if committed by an adult, or has a conviction for a felony listed in IC 31-27-4-13.

(c) A ~~probation officer~~ or caseworker is not required to conduct a criminal history check under this section if:

(1) the ~~probation officer~~ or caseworker is considering only an out-of-home placement to an entity or a facility that:

(A) is not a residence (as defined in IC 3-5-2-42.5); or

(B) is licensed by the state; or

(2) placement under this section is undetermined at the time the predispositional report is prepared.

(d) A court may enter a dispositional decree ~~placing~~ **that approves placement of** a child in another home or award wardship to a county office if:

(1) a person described in subsection (a) has:

(A) committed an act resulting in a substantiated report of child abuse or neglect; or

(B) been convicted or had a juvenile adjudication for:

(i) reckless homicide (IC 35-42-1-5);

(ii) battery (IC 35-42-2-1) as a Class C or D felony;

(iii) criminal confinement (IC 35-42-3-3) as a Class C or D felony;

(iv) arson (IC 35-43-1-1) as a Class C or D felony;

(v) a felony involving a weapon under IC 35-47 or IC 35-47.5 as a Class C or D felony;

(vi) a felony relating to controlled substances under IC 35-48-4 as a Class C or D felony; or

(vii) a felony that is substantially equivalent to a felony listed in items (i) through (vi) for which the conviction was entered in another state; and

(2) the court makes a written finding that the person's commission of the offense, delinquent act, or act of abuse or neglect described in subdivision (1) is not relevant to the person's present ability to care for a child, and that the dispositional decree placing a child in another home or awarding wardship to a county office is in the best interest of the child.

However, a court may not enter a dispositional decree ~~placing that approves placement of~~ a child in another home or award wardship to ~~a county office or~~ the department if the person has been convicted of a felony listed in IC 31-27-4-13 that is not specifically excluded under subdivision (1)(B), or has a juvenile adjudication for an act that would be a felony listed in IC 31-27-4-13 if committed by an adult that is not specifically excluded under subdivision (1)(B).

(e) In making its written finding under subsection (d), the court shall consider the following:

- (1) The length of time since the person committed the offense, delinquent act, or act that resulted in the substantiated report of abuse or neglect.
- (2) The severity of the offense, delinquent act, or abuse or neglect.
- (3) Evidence of the person's rehabilitation, including the person's cooperation with a treatment plan, if applicable.

SECTION 406. IC 31-34-20-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 3. If the juvenile court determines that a parent, guardian, or custodian should participate in a program of care, treatment, or rehabilitation **recommended by the department** for the child, the court may order the parent, guardian, or custodian to do the following:

- (1) Obtain assistance in fulfilling the obligations as a parent, guardian, or custodian.
- (2) Provide specified care, treatment, or supervision for the child.
- (3) Work with a person providing care, treatment, or rehabilitation for the child.
- (4) Participate in a program operated by or through the department of correction.

SECTION 407. IC 31-34-21-2, AS AMENDED BY P.L.146-2006, SECTION 52, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 2. (a) The case of each child in need of services under the supervision of ~~the county office~~ or the department must be reviewed at least once every six (6) months, or more often, if ordered by the court.

(b) The first of these periodic case reviews must occur:

- (1) at least six (6) months after the date of the child's removal from the child's parent, guardian, or custodian; or
- (2) at least six (6) months after the date of the dispositional decree;

whichever comes first.

(c) Each periodic case review must be conducted by the juvenile court in a formal court hearing.

(d) The court may perform a periodic case review any time after a progress report is filed as described in section 1 of this chapter.

SECTION 408. IC 31-34-21-3, AS AMENDED BY P.L.145-2006, SECTION 315, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 3. Before a case review under section 2 of this chapter, ~~the probation department~~ or the department shall prepare a report in accordance with IC 31-34-22 on the progress made in implementing the dispositional decree.

SECTION 409. IC 31-34-21-5, AS AMENDED BY P.L.145-2006, SECTION 318, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 5. (a) The court shall

- 1 determine:
- 2 (1) whether the child's case plan, services, and placement meet
- 3 the special needs and best interests of the child;
- 4 (2) whether the county office or the department has made
- 5 reasonable efforts to provide family services; and
- 6 (3) a projected date for the child's return home, the child's
- 7 adoption placement, the child's emancipation, or the appointment
- 8 of a legal guardian for the child under section 7.5(1)(E) of this
- 9 chapter.
- 10 (b) The determination of the court under subsection (a) must be
- 11 based on findings written after consideration of the following:
- 12 (1) Whether the department, the child, or the child's parent,
- 13 guardian, or custodian has complied with the child's case plan.
- 14 (2) Written documentation containing descriptions of:
- 15 (A) the family services that have been offered or provided to
- 16 the child or the child's parent, guardian, or custodian;
- 17 (B) the dates during which the family services were offered or
- 18 provided; and
- 19 (C) the outcome arising from offering or providing the family
- 20 services.
- 21 (3) The extent of the efforts made by the department to offer and
- 22 provide family services.
- 23 (4) The extent to which the parent, guardian, or custodian has
- 24 enhanced the ability to fulfill parental obligations.
- 25 (5) The extent to which the parent, guardian, or custodian has
- 26 visited the child, including the reasons for infrequent visitation.
- 27 (6) The extent to which the parent, guardian, or custodian has
- 28 cooperated with the department or probation department.
- 29 (7) The child's recovery from any injuries suffered before
- 30 removal.
- 31 (8) Whether any additional services are required for the child or
- 32 the child's parent, guardian, or custodian and, if so, the nature of
- 33 those services.
- 34 (9) The extent to which the child has been rehabilitated.
- 35 (10) If the child is placed out-of-home, whether the child is in the
- 36 least restrictive, most family-like setting, and whether the child is
- 37 placed close to the home of the child's parent, guardian, or
- 38 custodian.
- 39 (11) The extent to which the causes for the child's out-of-home
- 40 placement or supervision have been alleviated.
- 41 (12) Whether current placement or supervision by the department
- 42 should be continued.
- 43 (13) The extent to which the child's parent, guardian, or custodian
- 44 has participated or has been given the opportunity to participate
- 45 in case planning, periodic case reviews, dispositional reviews,
- 46 placement of the child, and visitation.

(14) Whether the department has made reasonable efforts to reunify or preserve a child's family unless reasonable efforts are not required under section 5.6 of this chapter.

(15) Whether it is an appropriate time to prepare or implement a permanency plan for the child under section 7.5 of this chapter.

(c) The department may appeal an adverse finding of subsection (a) made after a hearing under IC 31-34-5, IC 31-34-19, this chapter, or IC 31-34-23. The department is entitled to an expedited appeal.

SECTION 410. IC 31-34-21-7.5, AS AMENDED BY P.L.145-2006, SECTION 324, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 7.5. (a) Except as provided in subsection (d), the juvenile court may not approve a permanency plan under subsection (c)(1)(D), (c)(1)(E), or (c)(1)(F) if a person who is currently residing with a person described in subsection (c)(1)(D) or (c)(1)(E) or in a residence in which the child would be placed under subsection (c)(1)(F) has committed an act resulting in a substantiated report of child abuse or neglect, has a juvenile adjudication for an act that would be a felony listed in IC 31-27-4-13 if committed by an adult, or has a conviction for a felony listed in IC 31-27-4-13.

(b) The juvenile court shall order the ~~probation officer~~ or caseworker who prepared the predispositional report to conduct a criminal history check (as defined in IC 31-9-2-22.5) to determine if a person described in subsection (a) has committed an act resulting in a substantiated report of child abuse or neglect, has a juvenile adjudication for an act that would be a felony listed in IC 31-27-4-13 if committed by an adult, or has a conviction for a felony listed in IC 31-27-4-13. However, the juvenile court is not required to order a criminal history check under this section if criminal history information under IC 31-34-4-2, IC 31-34-18-6.1, or IC 31-34-20-1.5 establishes whether a person described in subsection (a) has committed an act resulting in a substantiated report of child abuse or neglect, has a juvenile adjudication for an act that would be a felony listed in IC 31-27-4-13 if committed by an adult, or has a conviction for a felony listed in IC 31-27-4-13.

(c) A permanency plan under this chapter includes the following:

(1) The intended permanent or long term arrangements for care and custody of the child that may include any of the following arrangements that the court considers most appropriate and consistent with the best interests of the child:

(A) Return to or continuation of existing custodial care within the home of the child's parent, guardian, or custodian or placement of the child with the child's noncustodial parent.

(B) Initiation of a proceeding by the agency or appropriate person for termination of the parent-child relationship under IC 31-35.

- 1 (C) Placement of the child for adoption.
- 2 (D) Placement of the child with a responsible person,
- 3 including:
- 4 (i) an adult sibling;
- 5 (ii) a grandparent;
- 6 (iii) an aunt;
- 7 (iv) an uncle; or
- 8 (v) another relative;
- 9 who is able and willing to act as the child's permanent
- 10 custodian and carry out the responsibilities required by the
- 11 permanency plan.
- 12 (E) Appointment of a legal guardian. The legal guardian
- 13 appointed under this section is a caretaker in a judicially
- 14 created relationship between the child and caretaker that is
- 15 intended to be permanent and self-sustaining as evidenced by
- 16 the transfer to the caretaker of the following parental rights
- 17 with respect to the child:
- 18 (i) Care, custody, and control of the child.
- 19 (ii) Decision making concerning the child's upbringing.
- 20 (F) Placement of the child in another planned, permanent
- 21 living arrangement.
- 22 (2) A time schedule for implementing the applicable provisions
- 23 of the permanency plan.
- 24 (3) Provisions for temporary or interim arrangements for care and
- 25 custody of the child, pending completion of implementation of the
- 26 permanency plan.
- 27 (4) Other items required to be included in a case plan under
- 28 IC 31-34-15 or federal law, consistent with the permanent or long
- 29 term arrangements described by the permanency plan.
- 30 (d) A juvenile court may approve a permanency plan if:
- 31 (1) a person described in subsection (a) has:
- 32 (A) committed an act resulting in a substantiated report of
- 33 child abuse or neglect; or
- 34 (B) been convicted or had a juvenile adjudication for:
- 35 (i) reckless homicide (IC 35-42-1-5);
- 36 (ii) battery (IC 35-42-2-1) as a Class C or D felony;
- 37 (iii) criminal confinement (IC 35-42-3-3) as a Class C or D
- 38 felony;
- 39 (iv) arson (IC 35-43-1-1) as a Class C or D felony;
- 40 (v) a felony involving a weapon under IC 35-47 or
- 41 IC 35-47.5 as a Class C or D felony;
- 42 (vi) a felony relating to controlled substances under
- 43 IC 35-48-4 as a Class C or D felony; or
- 44 (vii) a felony that is substantially equivalent to a felony
- 45 listed in items (i) through (vi) for which the conviction was
- 46 entered in another state; and

(2) the court makes a written finding that the person's commission of the offense, delinquent act, or act of abuse or neglect described in subdivision (1) is not relevant to the person's present ability to care for a child, and that approval of the permanency plan is in the best interest of the child.

However, a court may not approve a permanency plan if the person has been convicted of a felony listed in IC 31-27-4-13 that is not specifically excluded under subdivision (1)(B), or has a juvenile adjudication for an act that would be a felony listed in IC 31-27-4-13 if committed by an adult that is not specifically excluded under subdivision (1)(B).

(e) In making its written finding under subsection (d), the court shall consider the following:

(1) The length of time since the person committed the offense, delinquent act, or act that resulted in the substantiated report of abuse or neglect.

(2) The severity of the offense, delinquent act, or abuse or neglect.

(3) Evidence of the person's rehabilitation, including the person's cooperation with a treatment plan, if applicable.

SECTION 411. IC 31-34-21-8, AS AMENDED BY P.L.145-2006, SECTION 325, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 8. Before a hearing under section 7 of this chapter, ~~the probation department~~ or the department shall prepare a report in accordance with IC 31-34-22 on the progress made in implementing the dispositional decree.

SECTION 412. IC 31-34-24.1 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]:

Chapter 24.1. Regional Services Strategic Plans

Sec. 1. As used in this chapter, "plan" means a regional services strategic plan developed under this chapter.

Sec. 2. As used in this chapter, "regional services council" refers to a regional service council established by section 3 of this chapter.

Sec. 3. A regional services council is established for each region in Indiana. The department shall determine the county or counties that comprise each region. A county may not be divided when establishing a region.

Sec. 4. (a) If the region served by a regional services council consists of at least three (3) counties, the regional services council has the following members:

(1) The regional manager, who must be an employee of the department.

(2) Three (3) members who are judges of a juvenile court.

(3) Three (3) local office directors or district managers assigned to a local office in the region.

(4) Two (2) family case manager supervisors from the region.

1 (5) One (1) family case manager assigned to a local office.

2 (6) Two (2) licensed foster parents from the region.

3 (7) One (1) guardian ad litem or court appointed special
4 advocate.

5 (8) One (1) individual who:

6 (A) is at least sixteen (16) and less than twenty-five (25)
7 years of age;

8 (B) is a resident of the service region; and

9 (C) has received or is receiving services through funds
10 provided, directly or indirectly, through the department.

11 (b) If the region served by a regional services council consists of
12 one (1) or two (2) counties, the regional services council members
13 must include at least:

14 (1) The regional manager, who must be an employee of the
15 department.

16 (2) One (1) member who is a judge of a juvenile court.

17 (3) Two (2) employees of the department.

18 (4) One (1) family case manager supervisor from the region.

19 (5) One (1) family case manager assigned to a local office.

20 (6) One (1) licensed foster parent from the region.

21 (7) One (1) guardian ad litem or court appointed special
22 advocate.

23 (8) One (1) individual who:

24 (A) is at least sixteen (16) and less than twenty-five (25)
25 years of age;

26 (B) is a resident of the service region; and

27 (C) has received or is receiving services through funds
28 provided, directly or indirectly, through the department.

29 (c) The director shall appoint the members of the regional
30 services council other than members described in subsection (a)(3)
31 or (b)(3). The local directors in a region shall provide a list of
32 individuals for appointment under subsection (a)(3) to the director.
33 The director shall select members under subsection (a)(3) for a
34 regional service council from the list submitted by the local
35 directors for the region. The regional manager for a region shall
36 appoint the members described in subsection (b)(3) for the regional
37 service council serving the region.

38 (d) A member of a regional service council serves at the pleasure
39 of the appointing authority. However, a member described in
40 subsection (a)(8) or (b)(8) serves only as long as the member meets
41 the qualifications for appointment under subsection (a)(8) or (b)(8).

42 Sec. 5. Each county shall participate in a regional services
43 council established under this chapter for the service region in
44 which the county is located.

45 Sec. 6. (a) Each regional services council shall, according to
46 guidelines and policies established by the department, evaluate
47 local child welfare service needs and determine appropriate

1 delivery mechanisms.

2 (b) The regional service council shall also administer the
3 creation of a funding recommendation that:

4 (1) the department allocates to the service region; and

5 (2) is used to fund programs and services administered by the
6 department within the region.

7 Sec. 7. (a) Each regional services council shall develop a regional
8 strategic plan that is tailored to provide services targeted to the
9 individual needs of children who:

10 (1) have been either:

11 (A) adjudicated as, or alleged in a proceeding initiated
12 under this article to be, children in need of services,
13 delinquent under IC 31-37; or

14 (B) identified by the department, based on information
15 received from:

16 (i) a school;

17 (ii) a social service agency;

18 (iii) a court;

19 (iv) a probation department;

20 (v) the child's parent or guardian; or

21 (vi) an interested person in the community having
22 knowledge of the child's environment and family
23 circumstances;

24 and after an informal investigation, as substantially at risk of
25 becoming children in need of services; and

26 (2) have been referred to the department by, or with the
27 consent of, the child's parent, guardian, or custodian for
28 services to be provided through the plan based on an
29 individual case plan for the child.

30 (b) The plan must be developed as described in this chapter.

31 Sec. 8. (a) The regional manager shall convene an organizational
32 meeting of the members of the regional service council.

33 (b) The regional manager shall serve as the chairperson of the
34 regional service council. The regional service council shall select
35 one (1) of its members as vice chairperson.

36 Sec. 9. The regional service council shall transmit a copy of the
37 plan to the director as required under the rules adopted by the
38 department.

39 Sec. 10. In preparing the plan under section 7 of this chapter, a
40 regional services council shall review and consider existing publicly
41 and privately funded programs that are available or that could be
42 made available in the regional services council's service region to
43 provide supportive services to or for the benefit of children
44 described in section 7 of this chapter without removing the child
45 from the family home, including programs funded through the
46 following:

47 (1) Title IV-B of the federal Social Security Act (42 U.S.C. 620

- 1 et seq.).
- 2 (2) Title IV-E of the federal Social Security Act (42 U.S.C. 670
- 3 et seq.).
- 4 (3) Title XX of the federal Social Security Act (42 U.S.C. 1397
- 5 et seq.).
- 6 (4) The federal Child Abuse Prevention and Treatment Act
- 7 (42 U.S.C. 5106 et seq.).
- 8 (5) Community corrections programs under IC 11-12.
- 9 (6) Special education programs under IC 20-35-6-2.
- 10 (7) All programs designed to prevent child abuse, neglect, or
- 11 delinquency, or to enhance child welfare and family
- 12 preservation administered by, or through funding provided
- 13 by, the department, county offices, prosecuting attorneys, or
- 14 juvenile courts, including programs funded under IC 12-19-7
- 15 and IC 31-40.
- 16 (8) Probation user's fees under IC 31-40-2-1.
- 17 (9) Child advocacy fund under IC 12-17-17.

18 Sec. 11. A regional services council may include in its plan a
 19 program for provision of family preservation services that:

- 20 (1) is or will be in effect in the regional services council's
- 21 service region;
- 22 (2) includes services for a child less than eighteen (18) years
- 23 of age, and less than twenty-one (21) years of age under
- 24 court-ordered circumstances, who reasonably may be
- 25 expected to face out-of-home placement under IC 31-34 or
- 26 IC 31-37 as a result of:
- 27 (A) abuse or neglect;
- 28 (B) emotional disturbance; or
- 29 (C) delinquency adjudication; and
- 30 (3) addresses all the objectives of family preservation services.

31 Sec. 12. Not later than sixty (60) days after receiving the plan,
 32 the director of the department or the director's designee shall do
 33 one (1) of the following:

- 34 (1) Approve the plan as submitted by the regional services
- 35 council.
- 36 (2) Approve the plan with amendments, modifications, or
- 37 revisions.
- 38 (3) Return the plan to the council with directions concerning:
- 39 (A) subjects for further study and reconsideration; and
- 40 (B) resubmission of a revised plan.

41 Sec. 13. (a) A regional services council shall meet at least
 42 quarterly to do the following:

- 43 (1) Develop, review, or revise a strategy for implementation
- 44 through the plan that identifies:
- 45 (A) the manner in which prevention and early intervention
- 46 services will be provided or improved;
- 47 (B) how local collaboration will improve children's

1 services; and

2 (C) how different funds can be used to serve children and
3 families more effectively.

4 (2) Reorganize as needed and select its vice chairperson for
5 the ensuing year.

6 (3) Review the implementation of the plan and prepare
7 revisions, additions, or updates of the plan that the regional
8 services council considers necessary or appropriate to
9 improve the quality and efficiency of early intervention child
10 welfare services provided in accordance with the plan.

11 (b) The chairperson or vice chairperson of a regional services
12 council may convene any additional meetings of the regional
13 services council that are, in the chairperson's or vice chairperson's
14 opinion, necessary or appropriate.

15 Sec. 14. (a) A regional services council or the regional manager
16 shall transmit copies of the plan, each annual report, and each
17 revised plan as required in the rules adopted by the department
18 under IC 4-22-2 to the following:

19 (1) The director.

20 (2) Each department office in the service region.

21 (3) Each juvenile court in the service region.

22 (b) A regional services council shall provide the department a
23 copy of each plan, annual report, or revised plan transmitted under
24 subsection (a) for posting on the department's Internet web site.

25 Sec. 15. A regional services council shall publicize to residents
26 of each county in the service region the existence and availability
27 of the plan, including posting on the department's Internet web
28 site.

29 Sec. 16. The intake officer, in implementing a program of
30 informal adjustment for a child under IC 31-34-8 or IC 31-37-9,
31 shall consider and use to the extent feasible any available services
32 described in a plan approved under this chapter.

33 Sec. 17. The department may adopt rules under IC 4-22-2 to
34 administer this chapter.

35 SECTION 413. IC 31-35-2-4 IS AMENDED TO READ AS
36 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 4. (a) A petition to
37 terminate the parent-child relationship involving a delinquent child or
38 a child in need of services may be signed and filed with the juvenile or
39 probate court by any of the following:

40 (1) The attorney for the ~~county office of family and children~~
41 ~~department.~~

42 ~~(2) The prosecuting attorney.~~

43 ~~(3) (2)~~ (2) The child's court appointed special advocate.

44 ~~(4) (3)~~ (3) The child's guardian ad litem.

45 (b) The petition must:

46 (1) be entitled "In the Matter of the Termination of the
47 Parent-Child Relationship of _____, a child, and

_____, the child's parent (or parents)"; and
 (2) allege that:

(A) one (1) of the following exists:

(i) the child has been removed from the parent for at least six (6) months under a dispositional decree;

(ii) a court has entered a finding under IC 31-34-21-5.6 that reasonable efforts for family preservation or reunification are not required, including a description of the court's finding, the date of the finding, and the manner in which the finding was made; or

(iii) after July 1, 1999, the child has been removed from the parent and has been under the supervision of a county office of family and children for at least fifteen (15) months of the most recent twenty-two (22) months;

(B) there is a reasonable probability that:

(i) the conditions that resulted in the child's removal or the reasons for placement outside the home of the parents will not be remedied; or

(ii) the continuation of the parent-child relationship poses a threat to the well-being of the child;

(C) termination is in the best interests of the child; and

(D) there is a satisfactory plan for the care and treatment of the child.

(3) Indicate whether at least one (1) of the factors listed in section 4.5(d)(1) through 4.5(d)(3) of this chapter applies and specify each factor that would apply as the basis for filing a motion to dismiss the petition.

SECTION 414. IC 31-35-2-4.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 4.5. (a) This section applies if:

(1) a court has made a finding under IC 31-34-21-5.6 that reasonable efforts for family preservation or reunification with respect to a child in need of services are not required; or

(2) a child in need of services:

(A) has been placed in:

(i) a foster family home, child caring institution, or group home licensed under ~~IC 12-17-4~~; **IC 31-27 or IC 12-28-4**; or

(ii) the home of a person related to the child (as defined in IC 12-7-2-162.5);

as directed by a court in a child in need of services proceeding under IC 31-34; and

(B) has been removed from a parent and has been under the supervision of ~~a county office of family and children~~ **the department** for not less than fifteen (15) months of the most recent twenty-two (22) months, excluding any period not

1 exceeding sixty (60) days before the court has entered a
 2 finding and judgment under IC 31-34 that the child is a child
 3 in need of services.

4 (b) A person described in section 4(a) of this chapter shall:

5 (1) file a petition to terminate the parent-child relationship under
 6 section 4 of this chapter; and

7 (2) request that the petition be set for hearing.

8 (c) If a petition under subsection (b) is filed by the child's court
 9 appointed special advocate or guardian ad litem, the ~~prosecuting~~
 10 ~~attorney or the county office of family and children~~ **department** is
 11 entitled to be joined as a party to the petition upon application to the
 12 court.

13 (d) A party shall file a motion to dismiss the petition to terminate
 14 the parent-child relationship if any of the following circumstances
 15 apply:

16 (1) That the current case plan prepared by or under the
 17 supervision of the county office of family and children under
 18 IC 31-34-15 has documented a compelling reason, based on facts
 19 and circumstances stated in the petition or motion, for concluding
 20 that filing, or proceeding to a final determination of, a petition to
 21 terminate the parent-child relationship is not in the best interests
 22 of the child. A compelling reason may include the fact that the
 23 child is being cared for by a custodian who is a parent, stepparent,
 24 grandparent, or responsible adult who is the child's sibling, aunt,
 25 or uncle or a relative who is caring for the child as a guardian.

26 (2) That:

27 (A) IC 31-34-21-5.6 is not applicable to the child;

28 (B) the ~~county office of family and children~~ **department** has
 29 not provided family services to the child, parent, or family of
 30 the child in accordance with a currently effective case plan
 31 prepared under IC 31-34-15 or a permanency plan or
 32 dispositional decree approved under IC 31-34, for the purpose
 33 of permitting and facilitating safe return of the child to the
 34 child's home; and

35 (C) the period for completion of the program of family
 36 services, as specified in the current case plan, permanency
 37 plan, or decree, has not expired.

38 (3) That:

39 (A) IC 31-34-21-5.6 is not applicable to the child;

40 (B) the ~~county office of family and children~~ **department** has
 41 not provided family services to the child, parent, or family of
 42 the child, in accordance with applicable provisions of a
 43 currently effective case plan prepared under IC 31-34-15, or a
 44 permanency plan or dispositional decree approved under
 45 IC 31-34; and

46 (C) the services that the ~~county office of family and children~~

1 **department** has not provided are substantial and material in
 2 relation to implementation of a plan to permit safe return of
 3 the child to the child's home.

4 The motion to dismiss shall specify which of the allegations described
 5 in subdivisions (1) through (3) apply to the motion. If the court finds
 6 that any of the allegations described in subdivisions (1) through (3) are
 7 true, as established by a preponderance of the evidence, the court shall
 8 dismiss the petition to terminate the parent-child relationship.

9 SECTION 415. IC 31-35-2-5 IS AMENDED TO READ AS
 10 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 5. Upon the filing of a
 11 petition under section 4 of this chapter,

12 ~~(1) the attorney for the county office of family and children; or~~
 13 ~~(2) the prosecuting attorney; department~~
 14 shall represent the interests of the state in all subsequent proceedings
 15 on the petition.

16 SECTION 416. IC 31-35-3-4, AS AMENDED BY P.L.145-2006,
 17 SECTION 329, IS AMENDED TO READ AS FOLLOWS
 18 [EFFECTIVE JULY 1, 2008]: Sec. 4. If:

- 19 (1) an individual is convicted of the offense of:
 20 (A) murder (IC 35-42-1-1);
 21 (B) causing suicide (IC 35-42-1-2);
 22 (C) voluntary manslaughter (IC 35-42-1-3);
 23 (D) involuntary manslaughter (IC 35-42-1-4);
 24 (E) rape (IC 35-42-4-1);
 25 (F) criminal deviate conduct (IC 35-42-4-2);
 26 (G) child molesting (IC 35-42-4-3);
 27 (H) child exploitation (IC 35-42-4-4);
 28 (I) sexual misconduct with a minor (IC 35-42-4-9); or
 29 (J) incest (IC 35-46-1-3); and
 30 (2) the victim of the offense:
 31 (A) was less than sixteen (16) years of age at the time of the
 32 offense; and
 33 (B) is:
 34 (i) the individual's biological or adoptive child; or
 35 (ii) the child of a spouse of the individual who has
 36 committed the offense;

37 ~~the prosecuting attorney;~~ the attorney for the department, the child's
 38 guardian ad litem, or the court appointed special advocate may file a
 39 petition with the juvenile or probate court to terminate the parent-child
 40 relationship of the individual who has committed the offense with the
 41 victim of the offense, the victim's siblings, or any biological or adoptive
 42 child of that individual.

43 SECTION 417. IC 31-35-3-6, AS AMENDED BY P.L.145-2006,
 44 SECTION 330, IS AMENDED TO READ AS FOLLOWS
 45 [EFFECTIVE JULY 1, 2008]: Sec. 6. (a) The ~~person filing the petition~~
 46 **attorney for the department** shall represent the interests of the state

1 in all subsequent proceedings on the petition.

2 (b) Upon the filing of a petition under section 4 of this chapter, the
3 attorney for the department ~~or the prosecuting attorney~~ shall represent
4 the interests of the state in all subsequent proceedings.

5 SECTION 418. IC 31-35-4-4, AS AMENDED BY P.L.145-2006,
6 SECTION 331, IS AMENDED TO READ AS FOLLOWS
7 [EFFECTIVE JULY 1, 2008]: Sec. 4. A statement or videotape may not
8 be admitted in evidence under this chapter unless ~~the prosecuting~~
9 ~~attorney or~~ the attorney for the department informs the parties of:

10 (1) an intention to introduce the statement or videotape in
11 evidence; and

12 (2) the content of the statement or videotape;
13 at least twenty (20) days before the proceedings to give the parties a
14 fair opportunity to prepare a response to the statement or videotape
15 before the proceeding.

16 SECTION 419. IC 31-35-5-2, AS AMENDED BY P.L.145-2006,
17 SECTION 332, IS AMENDED TO READ AS FOLLOWS
18 [EFFECTIVE JULY 1, 2008]: Sec. 2. On the motion of ~~the prosecuting~~
19 ~~attorney or~~ the attorney for the department, the court may order that:

20 (1) the testimony of a child be taken in a room other than the
21 courtroom and be transmitted to the courtroom by closed circuit
22 television; and

23 (2) the questioning of the child by the parties be transmitted to the
24 child by closed circuit television.

25 SECTION 420. IC 31-35-5-3, AS AMENDED BY P.L.145-2006,
26 SECTION 333, IS AMENDED TO READ AS FOLLOWS
27 [EFFECTIVE JULY 1, 2008]: Sec. 3. On the motion of ~~the prosecuting~~
28 ~~attorney or~~ the attorney for the department, the court may order that the
29 testimony of a child be videotaped for use at proceedings to determine
30 whether the parent-child relationship should be terminated.

31 SECTION 421. IC 31-37-6-3, AS AMENDED BY P.L.138-2007,
32 SECTION 81, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
33 JULY 1, 2008]: Sec. 3. (a) Notice of the time, place, and purpose of a
34 detention hearing shall be given to:

35 (1) the child;

36 (2) the child's parent, guardian, or custodian if the person can be
37 located; ~~and~~

38 (3) each foster parent or other caretaker with whom the child has
39 been placed for temporary care under IC 31-37-5; **and**

40 **(4) the department, if the case involves an allegation that the**
41 **child committed a delinquent act that would not be a crime if**
42 **committed by an adult.**

43 (b) The court shall:

44 (1) provide a person who is required to be notified under
45 subsection (a)(2) or (a)(3) an opportunity to be heard; and

46 (2) allow a person described in subdivision (1) to make

1 recommendations to the court;
2 at the detention hearing.

3 SECTION 422. IC 31-37-6-6, AS AMENDED BY P.L.146-2006,
4 SECTION 55, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
5 JANUARY 1, 2009]: Sec. 6. (a) The juvenile court shall release the
6 child on the child's own recognizance or to the child's parent, guardian,
7 or custodian upon the person's written promise to bring the child before
8 the court at a time specified. However, the court may order the child
9 detained if the court finds probable cause to believe the child is a
10 delinquent child and that:

- 11 (1) the child is unlikely to appear for subsequent proceedings;
- 12 (2) detention is essential to protect the child or the community;
- 13 (3) the parent, guardian, or custodian:
 - 14 (A) cannot be located; or
 - 15 (B) is unable or unwilling to take custody of the child;
- 16 (4) return of the child to the child's home is or would be:
 - 17 (A) contrary to the best interests and welfare of the child; and
 - 18 (B) harmful to the safety or health of the child; or
- 19 (5) the child has a reasonable basis for requesting that the child
20 not be released.

21 However, the findings under this subsection are not required if the
22 child is ordered to be detained in the home of the child's parent,
23 guardian, or custodian or is released subject to any condition listed in
24 subsection (d).

25 (b) If a child is detained for a reason specified in subsection (a)(3),
26 (a)(4), or (a)(5), the child shall be detained under IC 31-37-7-1.

27 (c) If a child is detained for a reason specified in subsection (a)(4),
28 the court shall make written findings and conclusions that include the
29 following:

- 30 (1) The factual basis for the finding specified in subsection (a)(4).
- 31 (2) A description of the family services available and efforts made
32 to provide family services before removal of the child.
- 33 (3) The reasons why efforts made to provide family services did
34 not prevent removal of the child.
- 35 (4) Whether efforts made to prevent removal of the child were
36 reasonable.

37 (d) Whenever the court releases a child under this section, the court
38 may impose conditions upon the child, including:

- 39 (1) home detention;
- 40 (2) electronic monitoring;
- 41 (3) a curfew restriction;
- 42 (4) a protective order;
- 43 (5) a no contact order;
- 44 (6) an order to comply with Indiana law; or
- 45 (7) an order placing any other reasonable conditions on the child's
46 actions or behavior.

(e) If the juvenile court releases a child to the child's parent, guardian, or custodian under this section, the court may impose conditions on the child's parent, guardian, or custodian to ensure:

- (1) the safety of the child's physical or mental health;
- (2) the public's physical safety; or
- (3) that any combination of subdivisions (1) and (2) is satisfied.

(f) The juvenile court shall include in any order requiring approving temporary detention of a child taken into custody under IC 31-37-5 or detention of a child all findings and conclusions required under:

- (1) applicable provisions of Title IV-E of the federal Social Security Act (42 U.S.C. 670 et seq.); or**
- (2) any applicable federal regulation, including 45 C.F.R. 1356.21;**

as a condition of eligibility of a delinquent child for assistance under Title IV-E or any other federal law.

(g) Inclusion in a juvenile court order of language approved and recommended by the judicial conference of Indiana, in relation to:

- (1) removal from the child's home; or**
- (2) detention;**

of a child who is alleged to be, or adjudicated as, a delinquent child constitutes compliance with subsection (b).

SECTION 423. IC 31-37-7-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 1. A child alleged to be a delinquent child under IC 31-37-2, except as provided in section 3 of this chapter, may not be held in:

- (1) a secure facility; or
- (2) a shelter care facility, **a forestry camp, or a training school** that houses persons charged with, imprisoned for, or incarcerated for crimes.

SECTION 424. IC 31-37-8-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 2. A preliminary inquiry is an informal investigation into the facts and circumstances reported to the court. Whenever practicable, the preliminary inquiry should include **the following** information: ~~on the child's:~~

- (1) **The child's** background.
- (2) **The child's** current status. ~~and~~
- (3) **The child's** school performance.
- (4) **If the child has been detained:**
 - (A) **efforts made to prevent removal of the child from the child's home, including the identification of any emergency situation that prevented reasonable efforts to avoid removal;**
 - (B) **whether it is in the best interests of the child to be removed from the home environment; and**
 - (C) **whether remaining in the home would be contrary to the health and welfare of the child.**

1 SECTION 425. IC 31-37-8-5, AS AMENDED BY P.L.145-2006,
 2 SECTION 337, IS AMENDED TO READ AS FOLLOWS
 3 [EFFECTIVE JULY 1, 2008]: Sec. 5. (a) The intake officer shall do the
 4 following:

5 (1) Send the prosecuting attorney a copy of the preliminary
 6 inquiry if the case involves an allegation that the child committed
 7 an act that would be a crime if committed by an adult.

8 (2) Send to:

9 (A) the prosecuting attorney; **or and**

10 (B) the attorney for the department;

11 a copy of the preliminary inquiry if the case involves an allegation
 12 that the child committed a delinquent act that would not be a
 13 crime if committed by an adult.

14 (3) Recommend whether to:

15 (A) file a petition;

16 (B) informally adjust the case;

17 (C) refer the child to another agency; or

18 (D) dismiss the case.

19 (b) The prosecuting attorney and the court may agree to alter the
 20 procedure described in subsection (a).

21 SECTION 426. IC 31-37-8-6 IS AMENDED TO READ AS
 22 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 6. The ~~person who~~
 23 ~~represents the interests of the state and who receives the preliminary~~
 24 ~~inquiry and recommendations~~ **prosecuting attorney** shall decide
 25 whether to file a petition. This decision is final only for the office of the
 26 person making the decision.

27 SECTION 427. IC 31-37-9-1 IS AMENDED TO READ AS
 28 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 1. (a) After the
 29 preliminary inquiry and upon approval by the juvenile court, the intake
 30 officer may implement a program of informal adjustment if the officer
 31 has probable cause to believe that the child is a delinquent child **and**
 32 **the child is not removed from the child's home.**

33 (b) **If the juvenile court denies a program of informal**
 34 **adjustment, the juvenile court shall state its reasons for the denial.**
 35 **The reasons for denial may include findings by the juvenile court**
 36 **that:**

37 (1) **for denial no probable cause exists to believe that the child**
 38 **is a delinquent child; or**

39 (2) **the coercive intervention of the juvenile court is required.**

40 (c) **If the juvenile court does not act to approve or deny a**
 41 **program of informal adjustment within ten (10) days of its**
 42 **submission to the juvenile court, the program of informal**
 43 **adjustment is deemed approved.**

44 SECTION 428. IC 31-37-9-2 IS AMENDED TO READ AS
 45 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 2. The child and the
 46 child's parent, guardian, custodian, or attorney must consent to the

1 program of informal adjustment. **Before payment for services to the**
 2 **family may be paid from the state family and children's fund,**
 3 **written consent must also be obtained from the department.**

4 SECTION 429. IC 31-37-9-4 IS AMENDED TO READ AS
 5 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 4. (a) Upon the filing
 6 of a petition for compliance and after notice and a hearing on the
 7 petition for compliance, the juvenile court may order the parent,
 8 guardian, or custodian of a child to participate in a program of informal
 9 adjustment ~~approved by the court~~ **implemented** under section 1 of this
 10 chapter.

11 (b) A parent, guardian, or custodian who fails to participate in a
 12 program of informal adjustment ordered by the court may be found in
 13 contempt of court.

14 SECTION 430. IC 31-37-9-7 IS AMENDED TO READ AS
 15 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 7. A program of
 16 informal adjustment may not exceed ~~six (6)~~ **three (3)** months, except
 17 by approval of the juvenile court. The juvenile court may extend a
 18 program of informal adjustment an additional six (6) months.

19 SECTION 431. IC 31-37-10-1 IS AMENDED TO READ AS
 20 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 1. ~~(a)~~ The prosecuting
 21 attorney may file a petition alleging that a child is a delinquent child.

22 ~~(b) The attorney for the county office of family and children may~~
 23 ~~file a petition alleging that a child is a delinquent child under~~
 24 ~~IC 31-37-2.~~

25 SECTION 432. IC 31-37-10-5 IS AMENDED TO READ AS
 26 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 5. (a) If the filing of a
 27 petition is approved by the court under section 2 of this chapter, the
 28 ~~person filing~~ **prosecuting attorney** may request in writing that the
 29 child be taken into custody. The person must support this request with
 30 sworn testimony or affidavit.

31 (b) The court may grant the request if the court makes written
 32 findings of fact upon the record that a ground for detention exists under
 33 IC 31-37-6-6.

34 SECTION 433. IC 31-37-13-2 IS AMENDED TO READ AS
 35 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 2. If the court finds that
 36 a child is a delinquent child, the court shall do the following:

- 37 (1) Enter judgment accordingly.
- 38 (2) Order a ~~predisposition~~ **predispositional** report.
- 39 (3) Schedule a dispositional hearing.

40 SECTION 434. IC 31-37-15-1, AS AMENDED BY P.L.145-2006,
 41 SECTION 339, IS AMENDED TO READ AS FOLLOWS
 42 [EFFECTIVE JULY 1, 2008]: Sec. 1. Any of the following may sign
 43 and file a petition for the juvenile court to require the participation of
 44 a parent, guardian, or custodian in a program of care, treatment, or
 45 rehabilitation for the child:

- 46 (1) The prosecuting attorney.

~~(2) The attorney for the department.~~

~~(3) (2) A probation officer.~~

~~(4) A caseworker.~~

~~(5) (3) The department of correction.~~

~~(6) (4) The guardian ad litem or court appointed special advocate.~~

SECTION 435. IC 31-37-17-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 1. (a) Upon finding that a child is a delinquent child, the juvenile court shall order a probation officer ~~or a caseworker~~ to prepare a predispositional report that contains a:

(1) statement of the needs of the child for care, treatment, rehabilitation, or placement; ~~and~~

(2) recommendation for the care, treatment, rehabilitation, or placement of the child;

(3) determination of the child's eligibility under Title IV-E of the federal Social Security Act (42 U.S.C. 670 et seq.); and

(4) statement of the department's concurrence with or its alternative proposal to the probation officer's predispositional report, as provided in section 1.4 of this chapter.

(b) Any of the following may prepare an alternative report for consideration by the court:

(1) The child.

(2) The child's:

(A) parent;

(B) guardian;

(C) guardian ad litem;

(D) court appointed special advocate; or

(E) custodian.

SECTION 436. IC 31-37-17-1.3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 1.3. (a) The individuals participating in a meeting described in section 1.1 of this chapter shall assist the person preparing the report in recommending the care, treatment, rehabilitation, or placement of the child.

(b) The individuals shall inform the person preparing the report of resources and programs that are available for the child.

(c) The probation officer ~~or caseworker~~ shall:

(1) collect and maintain all information relevant to a determination of eligibility under Title IV-E of the federal Social Security Act (42 U.S.C. 670 et seq.); and

(2) complete financial eligibility forms designated by the director to assist in obtaining federal reimbursement and other reimbursement.

SECTION 437. IC 31-37-17-1.4 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: **Sec. 1.4. (a) A probation officer shall refer the officer's completed predispositional report, except**

for the statement required under section 1(a)(4) of this chapter, to the department within a reasonable time before its required disclosure under section 6 of this chapter to allow the department time to:

- (1) review; and
 - (2) either concur with or offer an alternative proposal to the recommendations in;
- the predispositional report.

(b) The department shall, after review of the predispositional report and any attachments necessary to verify the predispositional report, either:

- (1) concur with the predispositional report; or
- (2) communicate to the probation officer an alternative proposal regarding programs and services.

SECTION 438. IC 31-37-17-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 2. (a) In addition to providing the court with a recommendation for the care, treatment, or rehabilitation of the child, the person preparing the report shall consider the necessity, nature, and extent of the participation by a parent, guardian, or custodian in a program of care, treatment, or rehabilitation for the child.

(b) If a probation officer ~~or caseworker~~ believes that an out-of-home placement would be appropriate for a delinquent child, the probation officer ~~or caseworker~~ shall consider whether the child should be placed with the child's suitable and willing blood or adoptive relative caretaker, including a grandparent, an aunt, an uncle, or an adult sibling, before considering other out-of-home placements for the child.

SECTION 439. IC 31-37-17-3, AS AMENDED BY P.L.145-2006, SECTION 341, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 3. The probation officer ~~or caseworker~~ shall collect information and prepare a financial report, in the form prescribed by the department on the parent or the estate of the child to assist the juvenile court and the department in:

- (1) determining the person's financial responsibility; and
 - (2) obtaining federal reimbursement;
- for services provided for the child or the person.

SECTION 440. IC 31-37-17-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 4. (a) If consistent with the safety and best interest of the child and the community, the ~~person~~ **probation officer** preparing the report shall recommend care, treatment, rehabilitation, or placement that:

- (1) is:
 - (A) in the least restrictive (most family like) and most appropriate setting available; and
 - (B) close to the parents' home, consistent with the best interest and special needs of the child;

- (2) least interferes with family autonomy;
- (3) is least disruptive of family life;
- (4) imposes the least restraint on the freedom of the child and the child's parent, guardian, or custodian; and
- (5) provides a reasonable opportunity for participation by the child's parent, guardian, or custodian.

(b) If the report recommends a placement or services for which the department will be responsible for payment under IC 31-40-1, the report must include a risk assessment and needs assessment for the child. The probation officer shall submit to the department a copy of the report and the financial report prepared by the probation officer.

SECTION 441. IC 31-37-17-6.1, AS AMENDED BY P.L.145-2006, SECTION 342, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 6.1. (a) The predispositional report prepared by a probation officer ~~or caseworker~~ **shall must** include the following information:

(1) A description of all dispositional options considered in preparing the report, **including a statement of the department's concurrence with or its alternative proposal to the probation officer's predispositional report.**

(2) An evaluation of each of the options considered in relation to the plan of care, treatment, rehabilitation, or placement recommended under the guidelines described in section 4 of this chapter.

(3) The name, occupation and position, and any relationship to the child of each person with whom the preparer of the report conferred as provided in section 1.1 of this chapter.

(4) A determination of (and all information relevant to a determination of) the child's eligibility under Title IV-E of the federal Social Security Act (42 U.S.C. 670 et seq.).

(b) If a probation officer ~~or a caseworker~~ is considering an out-of-home placement, including placement with a blood or an adoptive relative caretaker, the probation officer ~~or caseworker~~ must conduct a criminal history check (as defined in IC 31-9-2-22.5) for each person who is currently residing in the location designated as the out-of-home placement. The results of the criminal history check must be included in the predispositional report.

(c) A probation officer ~~or caseworker~~ is not required to conduct a criminal history check under this section if:

(1) the probation officer ~~or caseworker~~ is considering only an out-of-home placement to an entity or a facility that:

- (A) is not a residence (as defined in IC 3-5-2-42.5); or
- (B) is licensed by the state; or

(2) placement under this section is undetermined at the time the predispositional report is prepared.

SECTION 442. IC 31-37-18-4, AS AMENDED BY P.L.145-2006,
SECTION 343, IS AMENDED TO READ AS FOLLOWS
[EFFECTIVE JULY 1, 2008]: Sec. 4. If:

- (1) a child is referred to a probate court;
- (2) the juvenile court initiates a commitment proceeding; or
- (3) the court transfers a commitment proceeding under
IC 12-26-1-4;

the juvenile court shall discharge the child or continue the court's
proceedings under the juvenile law. However, if the child is under the
custody or supervision of ~~a county office or~~ the department, the
juvenile court may not ~~release the department from the obligations of~~
~~the department to the child pending the outcome of the~~ **discharge the**
child until another court has accepted a proceeding under IC 12-26.

SECTION 443. IC 31-37-18-5, AS AMENDED BY P.L.145-2006,
SECTION 344, IS AMENDED TO READ AS FOLLOWS
[EFFECTIVE JULY 1, 2008]: Sec. 5. If the court authorizes a child
who is under the custody or supervision of the department to be placed
in a state institution (as defined in IC 12-7-2-184) for voluntary
treatment in accordance with IC 12-26-3, the court may not release the
department from obligations of the department to the child until **the**
earlier of:

- (1) the date the child is discharged; or**
- (2) the date that** a parent, guardian, or other responsible person
approved by the court assumes the obligations.

SECTION 444. IC 31-37-18-9, AS AMENDED BY P.L.146-2006,
SECTION 56, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
JULY 1, 2008]: Sec. 9. (a) The juvenile court shall accompany the
court's dispositional decree with written findings and conclusions upon
the record concerning **approval, modification, or rejection of the**
dispositional recommendations submitted in the predispositional
report, including the following specific findings:

- (1) The needs of the child for care, treatment, rehabilitation, or
placement.
- (2) The need for participation by the parent, guardian, or
custodian in the plan of care for the child.
- (3) Efforts made, if the child is removed from the child's**
parent, guardian, or custodian, to:
 - (A) prevent the child's removal from; or**
 - (B) reunite the child with;****the child's parent, guardian, or custodian.**
- (4) Family services that were offered and provided to:**
 - (A) the child; or**
 - (B) the child's parent, guardian, or custodian.**

~~(5)~~ **(5) The court's reasons for the disposition.**

(b) If the department does not concur with the probation
officer's recommendations in the predispositional report and the

juvenile court does not follow the department's alternative recommendations, the juvenile court shall accompany the court's dispositional decree with written findings that the department's recommendations contained in the predispositional report are:

(1) unreasonable based on the facts and circumstances of the case; and

(2) contrary to the welfare and best interests of the child.

~~(b)~~ (c) The juvenile court may incorporate a finding or conclusion from a predispositional report as a written finding or conclusion upon the record in the court's dispositional decree.

(d) If the juvenile court enters findings and a decree under subsection (b), the department may appeal the juvenile court's decree under any available procedure provided by the Indiana Rules of Court or Rules of Appellate Procedure to allow any disputes arising under this section to be decided in an expeditious manner.

SECTION 445. IC 31-37-19-1, AS AMENDED BY P.L.146-2006, SECTION 57, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 1. (a) Subject to section 6.5 of this chapter, if a child is a delinquent child under IC 31-37-2, the juvenile court may enter one (1) or more of the following dispositional decrees:

(1) Order supervision of the child by the probation department. ~~or the county office or the department.~~

(2) Order the child to receive outpatient treatment:

(A) at a social service agency or a psychological, a psychiatric, a medical, or an educational facility; or

(B) from an individual practitioner.

(3) Remove the child from the child's home and place the child in another home or shelter care facility. Placement under this subdivision includes authorization to control and discipline the child.

(4) Award wardship to ~~a~~ the probation department or another person or shelter care facility for supervision, care, and treatment.

(5) Partially or completely emancipate the child under section 27 of this chapter.

(6) Order:

(A) the child; or

(B) the child's parent, guardian, or custodian;

to receive family services or complete services approved by the department under IC 31-40-1.

(7) Order a person who is a party to refrain from direct or indirect contact with the child.

(b) If the child is removed from the child's home and placed in a foster family home or another facility that is not a secure detention facility, the court shall:

- 1 (A) approve a permanency plan for the child;
- 2 (B) find whether or not reasonable efforts were made to
- 3 prevent or eliminate the need for the removal;
- 4 (C) designate responsibility for the placement and care of the
- 5 child with the department or the probation department; and
- 6 (D) find whether it:
 - 7 (i) serves the best interests of the child to be removed; and
 - 8 (ii) would be contrary to the health and welfare of the child
 - 9 for the child to remain in the home.

10 (c) If a dispositional decree under this section:

- 11 (1) orders or approves removal of a child from the child's
- 12 home or awards wardship of the child to a person or shelter
- 13 care facility; and
- 14 (2) is the first court order in the delinquent child proceeding
- 15 that authorizes or approves removal of the child from the
- 16 child's parent, guardian, or custodian;

17 the court shall include in the decree the appropriate findings and
18 conclusions described in IC 31-37-6-6(f).

19 SECTION 446. IC 31-37-19-1.5 IS ADDED TO THE INDIANA
20 CODE AS A NEW SECTION TO READ AS FOLLOWS
21 [EFFECTIVE JULY 1, 2008]: Sec. 10. (a) This section applies to a
22 delinquent child if:

- 23 (1) the probation department of the juvenile court has been
- 24 awarded wardship under section 1 of this chapter; and
- 25 (2) the child is placed in an out-of-home residence or facility
- 26 that is not a secure detention facility.

27 (b) The probation department, after negotiating with the child's
28 parent, guardian, or custodian, shall complete the child's case plan
29 not later than sixty (60) days after the earlier of:

- 30 (1) the date of the child's first placement; or
- 31 (2) the date of a dispositional decree.

32 (c) A copy of the completed case plan shall be sent to the
33 department and to the child's parent, guardian, or custodian not
34 later than ten (10) days after the plan's completion.

35 (d) A child's case plan must be in a form prescribed by the
36 department that meets the specifications set by 45 CFR 1356.21, as
37 amended. The case plan must include a description and discussion
38 of the following:

- 39 (1) A permanency plan for the child and an estimated date for
- 40 achieving the goal of the plan.
- 41 (2) The appropriate placement for the child based on the
- 42 child's special needs and best interests.
- 43 (3) The least restrictive family-like setting that is close to the
- 44 home of the child's parent, custodian, or guardian if
- 45 out-of-home placement is implemented or recommended,
- 46 including consideration of possible placement with any
- 47 suitable and willing relative caretaker, before considering

1 other out-of-home placements for the child.

2 (4) Family services recommended for the child, parent,
3 guardian, or custodian.

4 (5) Efforts already made to provide family services to the
5 child, parent, guardian, or custodian.

6 (6) Efforts that will be made to provide family services that
7 are ordered by the court.

8 (e) Each caretaker of a child and the probation department shall
9 cooperate in the development of the case plan for the child. The
10 probation department shall discuss with at least one (1) foster
11 parent or other caretaker of a child the role of the substitute
12 caretaker or facility regarding the following:

13 (1) Rehabilitation of the child and the child's parents,
14 guardians, and custodians.

15 (2) Visitation arrangements.

16 (3) Services required to meet the special needs of the child.

17 (f) The case plan must be reviewed and updated by the
18 probation department at least once every one hundred eighty (180)
19 days.

20 SECTION 447. IC 31-37-19-5, AS AMENDED BY P.L.1-2007,
21 SECTION 208, IS AMENDED TO READ AS FOLLOWS
22 [EFFECTIVE JULY 1, 2008]: Sec. 5. (a) This section applies if a child
23 is a delinquent child under IC 31-37-1.

24 (b) The juvenile court may, in addition to an order under section 6
25 of this chapter, enter at least one (1) of the following dispositional
26 decrees:

27 (1) Order supervision of the child by

28 ~~(A)~~ the probation department

29 ~~(B)~~ the county office; or

30 ~~(C)~~ the department.

31 as a condition of probation under this subdivision. The juvenile
32 court shall after a determination under IC 11-8-8-5 require a child
33 who is adjudicated a delinquent child for an act that would be an
34 offense described in IC 11-8-8-5 if committed by an adult to
35 register with the local law enforcement authority under IC 11-8-8.

36 (2) Order the child to receive outpatient treatment:

37 (A) at a social service agency or a psychological, a psychiatric,
38 a medical, or an educational facility; or

39 (B) from an individual practitioner.

40 (3) Order the child to surrender the child's driver's license to the
41 court for a specified period of time.

42 (4) Order the child to pay restitution if the victim provides
43 reasonable evidence of the victim's loss, which the child may
44 challenge at the dispositional hearing.

45 (5) Partially or completely emancipate the child under section 27
46 of this chapter.

(6) Order the child to attend an alcohol and drug services program established under IC 12-23-14.

(7) Order the child to perform community restitution or service for a specified period of time.

(8) Order wardship of the child as provided in section 9 of this chapter.

SECTION 448. IC 31-37-19-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 6. (a) This section applies if a child is a delinquent child under IC 31-37-1.

(b) Except as provided in section 10 of this chapter and subject to section 6.5 of this chapter, the juvenile court may:

(1) enter any dispositional decree specified in section 5 of this chapter; and

(2) take any of the following actions:

(A) Award wardship to:

(i) the department of correction for housing in a correctional facility for children; or

(ii) a community based correctional facility for children.

Wardship under this subdivision does not include the right to consent to the child's adoption.

(B) If the child is less than seventeen (17) years of age, order confinement in a juvenile detention facility for not more than the lesser of:

(i) ninety (90) days; or

(ii) the maximum term of imprisonment that could have been imposed on the child if the child had been convicted as an adult offender for the act that the child committed under IC 31-37-1 (or IC 31-6-4-1(b)(1) before its repeal).

(C) If the child is at least seventeen (17) years of age, order confinement in a juvenile detention facility for not more than the lesser of:

(i) one hundred twenty (120) days; or

(ii) the maximum term of imprisonment that could have been imposed on the child if the child had been convicted as an adult offender for the act that the child committed under IC 31-37-1 (or IC 31-6-4-1(b)(1) before its repeal).

(D) Remove the child from the child's home and place the child in another home or shelter care facility. Placement under this subdivision includes authorization to control and discipline the child.

(E) Award wardship to a person or shelter care facility. Wardship under this subdivision does not include the right to consent to the child's adoption.

(F) Place the child in a secure private facility for children licensed under the laws of a state. Placement under this subdivision includes authorization to control and discipline the

child.

(G) Order a person who is a respondent in a proceeding under IC 31-37-16 (before its repeal) or IC 34-26-5 to refrain from direct or indirect contact with the child.

(c) If a dispositional decree under this section:

(1) orders or approves removal of a child from the child's home, or awards wardship of the child to a person or shelter care facility; and

(2) is the first court order in the delinquent child proceeding that authorizes or approves removal of the child from the child's parent, guardian, or custodian;

the juvenile court shall include in the decree the appropriate findings and conclusions described in IC 31-37-6-6(f).

SECTION 449. IC 31-37-19-6.5, AS AMENDED BY P.L.1-2007, SECTION 209, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 6.5. (a) Except as provided in subsection ~~(c)~~, **(d)**, the juvenile court may not enter a dispositional decree ~~placing~~ **approving placement of** a child in another home under section 1(3) or 6(b)(2)(D) of this chapter or awarding wardship to ~~the county office or the probation~~ department that results in a placement with a person under section 1(4) or 6(b)(2)(E) of this chapter if a person who is currently residing in the home in which the child would be placed under section 1(3), 1(4), 6(b)(2)(D), or 6(b)(2)(E) of this chapter has committed an act resulting in a substantiated report of child abuse or neglect, has a juvenile adjudication for an act that would be a felony listed in IC 31-27-4-13 if committed by an adult, or has a conviction for a felony listed in IC 31-27-4-13.

(b) The juvenile ~~court shall order the~~ probation officer ~~or caseworker~~ who prepared the predispositional report ~~to shall~~ conduct a criminal history check (as defined in IC 31-9-2-22.5) to determine if a person described in subsection (a) has committed an act resulting in a substantiated report of child abuse or neglect, has a juvenile adjudication for an act that would be a felony listed in IC 31-27-4-13 if committed by an adult, or has a conviction for a felony listed in IC 31-27-4-13. However, the ~~juvenile court~~ **probation officer** is not required to ~~order conduct~~ a criminal history check under this section if criminal history information **obtained** under IC 31-37-17-6.1 establishes whether a person described in subsection (a) has committed an act resulting in a substantiated report of child abuse or neglect, has a juvenile adjudication for an act that would be a felony listed in IC 31-27-4-13 if committed by an adult, or has a conviction for a felony listed in IC 31-27-4-13.

(c) The juvenile probation officer is not required to conduct a criminal history check under this section if:

(1) the probation officer is considering only an out-of-home placement to an entity or a facility that:

1 (A) is not a residence (as defined in IC 3-5-2-42.5); or

2 (B) is licensed by the state; or

3 (2) placement under this section is undetermined at the time
4 the predispositional report is prepared.

5 ~~(c)~~ (d) The juvenile court may enter a dispositional decree placing
6 approving placement of a child in another home under section 1(3) or
7 6(b)(2)(D) of this chapter or awarding wardship to the ~~county office or~~
8 the probation department that results in a placement with a person
9 under section 1(4) or 6(b)(2)(E) of this chapter if:

10 (1) a person described in subsection (a) has:

11 (A) committed an act resulting in a substantiated report of
12 child abuse or neglect; or

13 (B) been convicted or had a juvenile adjudication for:

14 (i) reckless homicide (IC 35-42-1-5);

15 (ii) battery (IC 35-42-2-1) as a Class C or D felony;

16 (iii) criminal confinement (IC 35-42-3-3) as a Class C or D
17 felony;

18 (iv) arson (IC 35-43-1-1) as a Class C or D felony;

19 (v) a felony involving a weapon under IC 35-47 or
20 IC 35-47.5 as a Class C or D felony;

21 (vi) a felony relating to controlled substances under
22 IC 35-48-4 as a Class C or D felony; or

23 (vii) a felony that is substantially equivalent to a felony
24 listed in items (i) through (vi) for which the conviction was
25 entered in another state; and

26 (2) the court makes a written finding that the person's commission
27 of the offense, delinquent act, or act of abuse or neglect described
28 in subdivision (1) is not relevant to the person's present ability to
29 care for a child, and that entry of a dispositional decree placing
30 the child in another home is in the best interest of the child.

31 However, a court may not enter a dispositional decree placing a child
32 in another home under section 1(3) or 6(b)(2)(D) of this chapter or
33 awarding wardship to the ~~county office or~~ the probation department if
34 the person has been convicted of a felony listed in IC 31-27-4-13 that
35 is not specifically excluded under subdivision (1)(B), or has a juvenile
36 adjudication for an act that would be a felony listed in IC 31-27-4-13
37 if committed by an adult that is not specifically excluded under
38 subdivision (1)(B).

39 ~~(d)~~ (e) In making its written finding under subsection ~~(c)~~, (d), the
40 court shall consider the following:

41 (1) The length of time since the person committed the offense,
42 delinquent act, or act that resulted in the substantiated report of
43 abuse or neglect.

44 (2) The severity of the offense, delinquent act, or abuse or neglect.

45 (3) Evidence of the person's rehabilitation, including the person's
46 cooperation with a treatment plan, if applicable.

1 SECTION 450. IC 31-37-19-17.4, AS AMENDED BY
 2 P.L.125-2007, SECTION 3, IS AMENDED TO READ AS FOLLOWS
 3 [EFFECTIVE JULY 1, 2008]: Sec. 17.4. (a) This section applies if a
 4 child is a delinquent child under IC 31-37-1 due to the commission of
 5 a delinquent act that, if committed by an adult, would be an offense
 6 relating to a criminal sexual act (as defined in IC 35-41-1-19.3).

7 (b) The juvenile court may, in addition to any other order or decree
 8 the court makes under this chapter, order:

9 (1) the child; and

10 (2) the child's parent or guardian;

11 to receive psychological counseling as directed by the court, **subject to**
 12 **approval of the department as provided in IC 31-40-1-1.**

13 SECTION 451. IC 31-37-20-1, AS AMENDED BY P.L.145-2006,
 14 SECTION 348, IS AMENDED TO READ AS FOLLOWS
 15 [EFFECTIVE JULY 1, 2008]: Sec. 1. At any time after the date of an
 16 original dispositional decree, the juvenile court may order ~~the~~
 17 ~~department~~ or the probation department to file a report on the progress
 18 made in implementing the decree. If, after reviewing the report, the
 19 juvenile court seeks to consider modification of the dispositional
 20 decree, the court shall proceed under IC 31-37-22.

21 SECTION 452. IC 31-37-20-2, AS AMENDED BY P.L.145-2006,
 22 SECTION 349, IS AMENDED TO READ AS FOLLOWS
 23 [EFFECTIVE JULY 1, 2008]: Sec. 2. (a) The court shall hold a formal
 24 hearing:

25 (1) every twelve (12) months after:

26 (A) the date of the original dispositional decree; or

27 (B) a delinquent child was removed from the child's parent,
 28 guardian, or custodian;

29 whichever occurs first; or

30 (2) more often if ordered by the juvenile court.

31 (b) The court shall determine whether the dispositional decree
 32 should be modified and whether the present placement is in the best
 33 interest of the child. The court, in making the court's determination,
 34 may consider the following:

35 (1) The services that have been provided or offered to a parent,
 36 guardian, or custodian to facilitate a reunion.

37 (2) The extent to which the parent, guardian, or custodian has
 38 enhanced the ability to fulfill parental obligations.

39 (3) The extent to which the parent, guardian, or custodian has
 40 visited the child, including the reasons for infrequent visitation.

41 (4) The extent to which the parent, guardian, or custodian has
 42 cooperated with the department or probation department.

43 (5) The child's recovery from any injuries suffered before
 44 removal.

45 (6) Whether additional services are required for the child or the
 46 child's parent, guardian, or custodian and, if so, the nature of the

1 services.

2 (7) The extent to which the child has been rehabilitated.

3 **(c) If the court has ordered wardship of the child to the**
 4 **probation department, a review of the dispositional decree will be**
 5 **held at least once every six (6) months, or more often, if ordered by**
 6 **the court. At the review, the court shall determine whether or not**
 7 **the probation department has made reasonable efforts to finalize**
 8 **a permanency plan for the child, if required under IC 31-37-19-1.5.**

9 SECTION 453. IC 31-37-20-3 IS AMENDED TO READ AS
 10 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 3. (a) The court shall
 11 hold a formal hearing on the question of continued jurisdiction:

12 (1) every eighteen (18) months after:

13 (A) the date of the original dispositional decree; or

14 (B) a delinquent child was removed from the child's parent,
 15 guardian, or custodian;

16 whichever comes first; or

17 (2) more often if ordered by the juvenile court.

18 (b) The state must show that jurisdiction should continue by proving
 19 that the objectives of the dispositional decree have not been
 20 accomplished and that a continuation of the decree with or without
 21 modifications has a probability of success.

22 (c) If the state does not sustain the state's burden for continued
 23 jurisdiction, the court may:

24 (1) authorize a petition for termination of the parent-child
 25 relationship; or

26 (2) discharge the child or the child's parent, guardian, or
 27 custodian.

28 **(d) If the court has ordered wardship of the child to the**
 29 **probation department, a jurisdictional review of the dispositional**
 30 **decree, including a review of the child's permanency plan, if**
 31 **required under IC 31-37-19-1.5, shall be held at least once every**
 32 **twelve (12) months.**

33 SECTION 454. IC 31-37-20-4, AS AMENDED BY P.L.145-2006,
 34 SECTION 350, IS AMENDED TO READ AS FOLLOWS
 35 [EFFECTIVE JULY 1, 2008]: Sec. 4. Before a hearing under section
 36 2 or 3 of this chapter, the probation department ~~or the department~~ shall
 37 prepare a report in accordance with IC 31-37-21 on the progress made
 38 in implementing the dispositional decree.

39 SECTION 455. IC 31-37-21-1, AS AMENDED BY P.L.145-2006,
 40 SECTION 351, IS AMENDED TO READ AS FOLLOWS
 41 [EFFECTIVE JULY 1, 2008]: Sec. 1. (a) Before a hearing under
 42 IC 31-37-20-2 or IC 31-37-20-3, the probation department ~~or the~~
 43 ~~department~~ shall prepare a report on the progress made in
 44 implementing the dispositional decree, including the progress made in
 45 rehabilitating the child, preventing placement out-of-home, ~~or~~ reuniting
 46 the family, **or finalizing another permanency plan as approved by**

1 **the court.**

2 (b) Before preparing the report required by subsection (a), the
3 probation department ~~or the department~~ shall consult a foster parent of
4 the child about the child's progress made while in the foster parent's
5 care.

6 (c) If modification of the dispositional decree is recommended, the
7 probation department ~~or the department~~ shall prepare a modification
8 report containing the information required by IC 31-37-17 and request
9 a formal court hearing.

10 SECTION 456. IC 31-37-22-1, AS AMENDED BY P.L.145-2006,
11 SECTION 352, IS AMENDED TO READ AS FOLLOWS
12 [EFFECTIVE JULY 1, 2008]: Sec. 1. While the juvenile court retains
13 jurisdiction under IC 31-30-2, the juvenile court may modify any
14 dispositional decree:

- 15 (1) upon the juvenile court's own motion;
- 16 (2) upon the motion of:
 - 17 (A) the child;
 - 18 (B) the child's parent, guardian, custodian, or guardian ad
19 litem;
 - 20 (C) the probation officer; **or**
 - 21 ~~(D) the caseworker;~~
 - 22 ~~(E)~~ **(D)** the prosecuting attorney; or
 - 23 ~~(F) the attorney for the department;~~ **or**
 - 24 (3) upon the motion of any person providing services to the child
25 or to the child's parent, guardian, or custodian under a decree of
26 the court.

27 SECTION 457. IC 31-37-22-5 IS AMENDED TO READ AS
28 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 5. If:

- 29 (1) a child is placed in a shelter care facility or other place of
30 residence as part of a court order with respect to a delinquent act
31 under IC 31-37-2-2;
- 32 (2) the child received a written warning of the consequences of a
33 violation of the placement at the hearing during which the
34 placement was ordered;
- 35 (3) the issuance of the warning was reflected in the records of the
36 hearing;
- 37 (4) the child is not held in a juvenile detention facility for more
38 than twenty-four (24) hours, excluding Saturdays, Sundays, and
39 legal holidays, before the hearing at which it is determined that
40 the child violated that part of the order concerning the child's
41 placement in a shelter care facility or other place of residence;
42 and
- 43 (5) the child's mental and physical condition may be endangered
44 if the child is not placed in a secure facility;
- 45 the juvenile court may modify its disposition order with respect to the
46 delinquent act and place the child in a public or private facility for

1 children **under section 7 of this chapter.**

2 SECTION 458. IC 31-37-22-7 IS AMENDED TO READ AS
3 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 7. (a) If the juvenile
4 court modifies its disposition order under section 5 or 6 of this chapter,
5 the court may order the child placed under one (1) of the following
6 alternatives:

7 (1) In a nonlocal secure private facility licensed under the laws of
8 any state. Placement under this alternative includes authorization
9 to control and discipline the child.

10 (2) In a local secure private facility licensed under Indiana law.
11 Placement under this alternative includes authorization to control
12 and discipline the child.

13 (3) In a local secure public facility.

14 (4) In a local alternative facility approved by the juvenile court.

15 (5) As a ward of the department of correction for housing in any
16 correctional facility for children. Wardship under this alternative
17 does not include the right to consent to the child's adoption.
18 However, without a determination of unavailable housing by the
19 department of correction, a child found to be subject to section 5
20 or 6 of this chapter and placed in a secure facility of the
21 department of correction may not be housed with any child found
22 to be delinquent under any other provision of this article.

23 (b) If the juvenile court places a child under subsection (a)(3) or
24 (a)(4):

25 (1) the length of the placement may not exceed thirty (30) days;
26 and

27 (2) the juvenile court shall order specific treatment of the child
28 designated to eliminate the child's disobedience of the court's
29 order of placement.

30 **(c) If the juvenile court places a child under this section in any**
31 **facility that is not a secure detention facility, the department is not**
32 **required to pay any of the costs of maintaining the child in the**
33 **placement, or services provided to the child in placement, unless**
34 **the department has approved both the change of placement and the**
35 **case plan for the child. If the change of placement has not been**
36 **approved by the department, all costs of placement and services**
37 **provided to the child that would be included in costs of secure**
38 **detention if the child were placed in a secure detention facility shall**
39 **be paid by the county of the child's residence from the county**
40 **general fund.**

41 ~~(c)~~ (d) The juvenile court shall retain jurisdiction over any
42 placement under this section (or IC 31-6-7-16(d) before its repeal) and
43 shall review each placement every three (3) months to determine
44 whether placement in a secure facility remains appropriate.

45 SECTION 459. IC 31-37-25-1, AS AMENDED BY P.L.145-2006,
46 SECTION 356, IS AMENDED TO READ AS FOLLOWS

[EFFECTIVE JULY 1, 2008]: Sec. 1. Any of the following may sign and file a petition for the juvenile court to require a person to refrain from direct or indirect contact with a child:

- (1) The prosecuting attorney.
- ~~(2) The attorney for the department.~~
- ~~(3) (2)~~ A probation officer.
- ~~(4) A caseworker.~~
- ~~(5) (3)~~ The department of correction.
- ~~(6) (4)~~ The guardian ad litem or court appointed special advocate.

SECTION 460. IC 31-40-1-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 1. This article applies to ~~a financial burden sustained by a county as the result of~~ costs paid by the ~~county~~ **department** under section 2 of this chapter, including costs resulting from the institutional placement of a child adjudicated a delinquent child or a child in need of services.

SECTION 461. IC 31-40-1-1.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: **Sec. 1.5. (a) As used in this chapter, "costs of secure detention" includes all expenses relating to any of the following items:**

- (1) Construction, repair, operation, maintenance, and administration of a secure detention facility.**
 - (2) Room, board, supervision, and support services for housing at a secure detention facility of a child who has been:**
 - (A) taken into custody under IC 31-37-5 and placed in a secure detention facility for purposes of court proceedings under IC 31-37; or**
 - (B) placed in a secure detention facility under IC 31-37-19-6 or IC 31-37-19-10;**
- if the court has not awarded wardship of the child to the department of correction.**
- (3) Services provided by the department, a county probation office, or any service provider contracted by the department or county probation office if the services are provided:**
 - (A) to or for the benefit of the child;**
 - (B) under or consistent with the terms of a dispositional decree entered in accordance with IC 31-37-19-6 or IC 31-37-19-10; and**
 - (C) during the time the child is housed in a secure detention facility.**

(b) As used in this chapter, "secure detention facility" includes:

- (1) a juvenile detention center described in IC 31-31-8 or IC 31-31-9; or**
- (2) a secure facility:**
 - (A) that is a camp, a training school, or other facility that is designed and operated primarily for the detention of children determined to be delinquent;**

(B) at which more than fifty percent (50%) of the child residents have been:

(i) adjudicated as a delinquent child under IC 31-37-13-5 or comparable statute in another state, based on commission of a delinquent act that would be an offense if committed by an adult; or

(ii) taken into custody and placed in the facility as the result of a charge that the child committed a delinquent act as defined in IC 31-37-1-2, or comparable statute in another state; and

(C) that is not a facility:

(i) licensed by the department under IC 31-37; or

(ii) owned or operated by or on behalf of the department of correction or any other state agency.

(c) As used in this chapter, the term "services" includes education, provision of necessary clothing and supplies, medical and dental care, counseling and remediation, or any other services or programs included in a dispositional decree or case plan ordered or approved by the juvenile court for the benefit of a delinquent child under IC 31-37.

SECTION 462. IC 31-40-1-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 2. (a) Except as otherwise provided in this section and subject to:

(1) this chapter;

(2) IC 31-29; and

(3) any other provisions of applicable law relating to the particular program, activity, or service for which payment is made by or through the department;

the county department shall pay from the county state family and children's fund, the cost of ~~(1)~~ any child services ordered by the juvenile court provided by or through the department for any child or the child's parent, guardian, or custodian. ~~other than secure detention; and~~

~~(2)~~ (b) The department shall pay from the state family and children's fund the cost of returning a child under IC 31-37-23.

~~(b)~~ The county fiscal body shall provide sufficient money to meet the court's requirements.

(c) The department is not responsible for payment of any costs of secure detention. The county shall pay from the county general fund all costs of secure detention, other than any costs that are paid from nonpublic funding sources.

(d) The department is not responsible for payment of any costs or expenses for housing or services provided to a delinquent child who is committed to the department of correction. All costs attributable to a child committed to the department of correction that would be costs of secure detention if the child were placed in a secure detention facility shall be paid as provided in IC 11-10-2.

(e) The department is not responsible for payment of any costs or expenses for child services for a child if:

(1) the juvenile court has not entered the required findings and conclusions in accordance with IC 31-34-5-3, IC 31-34-20-1, IC 31-37-6-6, IC 31-37-19-1, or IC 31-37-19-6 (whichever is applicable); and

(2) the department has determined that the child otherwise meets the eligibility requirements for assistance under Title IV-E of the federal Social Security Act (42 U.S.C. 670 et seq.).

(f) In all cases under this title, if the juvenile court orders services, programs, or placements that:

(1) are not eligible for federal assistance under either Title IV-B of the federal Social Security Act (42 U.S.C. 620 et seq.) or Title IV-E of the federal Social Security Act (42 U.S.C. 670 et seq.); and

(2) have not been recommended or approved by the department;

the department is not responsible for payment of the costs of those services, programs, and placement from the state family and children's fund.

(g) The department is not responsible for payment of any costs or expenses for housing or services provided to a delinquent child placed by a court in a facility located outside Indiana, unless the placement has been recommended or approved by the department.

(h) If:

(1) the department is not responsible for payment of costs or expenses of services, programs, or placements ordered by a court for a child or the child's parent, guardian, or custodian, as provided in this section; and

(2) another source of payment for those costs or expenses is not specified in this section or other applicable law;

the county in which the child resides is responsible for payment of those costs and expenses.

SECTION 463. IC 31-40-1-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) A parent or guardian of the estate of a child adjudicated a delinquent child or a child in need of services is financially responsible as provided in this chapter (or IC 31-6-4-18(e) before its repeal) for any services ~~ordered by the court.~~ **provided by or through the department.**

(b) Each parent of a child alleged to be a child in need of services or alleged to be a delinquent child shall, before a dispositional hearing, furnish the court with an accurately completed and current child support obligation worksheet on the same form that is prescribed by the Indiana supreme court for child support orders.

(c) At:

(1) a detention hearing;

(2) a hearing that is held after the payment of costs by ~~a county~~

1 **the state** under section 2 of this chapter (or IC 31-6-4-18(b)
2 before its repeal);

3 (3) the dispositional hearing; or

4 (4) any other hearing to consider modification of a dispositional
5 decree;

6 the juvenile court shall order the child's parents or the guardian of the
7 child's estate to pay for, or reimburse the **county department** for the
8 cost of, services provided to the child or the parent or guardian unless
9 the court ~~finds~~ **makes a specific finding** that the parent or guardian is
10 unable to pay or that justice would not be served by ordering payment
11 from the parent or guardian.

12 SECTION 464. IC 31-40-1-4 IS AMENDED TO READ AS
13 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 4. The parent or
14 guardian of the estate of any child returned to Indiana under the
15 interstate compact on juveniles under IC 31-37-23 shall reimburse the
16 **county department** for all costs involved in returning the child that the
17 court orders the parent or guardian to pay under section 3 of this
18 chapter (or IC 31-6-4-18(e) before its repeal) whether or not the child
19 has been adjudicated a delinquent child or a child in need of services.

20 SECTION 465. IC 31-40-1-5, AS AMENDED BY P.L.145-2006,
21 SECTION 362, IS AMENDED TO READ AS FOLLOWS
22 [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) This section applies
23 whenever the court ~~orders or~~ approves removal of a child from the
24 home of a child's parent or guardian and ~~placement of the department~~
25 **places** the child in a child caring institution, (~~as defined in~~
26 ~~IC 31-9-2-16.7~~); a foster family home, (~~as defined in IC 31-9-2-46.9~~);
27 **a group home**, or the home of a relative of the child that is not a foster
28 family home.

29 (b) If an existing support order is in effect, the **juvenile** court shall
30 order the support payments to be assigned to the ~~county office~~
31 **department** for the duration of the placement out of the home of the
32 child's parent or guardian. The **juvenile** court shall notify the court that:

33 (1) entered the existing support order; or

34 (2) had jurisdiction, immediately before the placement, to modify
35 or enforce the existing support order;

36 of the assignment and assumption of jurisdiction by the juvenile court
37 under this section.

38 (c) If an existing support order is not in effect, the court shall do the
39 following:

40 (1) Include in the order for ~~removal or out-of-home~~ placement of
41 the child an assignment to the ~~county office, department~~ or
42 confirmation of an assignment that occurs or is required under
43 applicable federal law, of any rights to support, including support
44 for the cost of any medical care payable by the state under
45 IC 12-15, from any parent or guardian who has a legal obligation
46 to support the child.

(2) Order support paid to the ~~county office~~ **department** by each of the child's parents or the guardians of the child's estate to be based on child support guidelines adopted by the Indiana supreme court and for the duration of the placement of the child out of the home of the child's parent or guardian, unless:

(A) the court finds that entry of an order based on the child support guidelines would be unjust or inappropriate considering the best interests of the child and other necessary obligations of the child's family; or

(B) the ~~county office~~ **department** does not make foster care maintenance payments to the custodian of the child. For purposes of this clause, "foster care maintenance payments" means any payments for the cost of (in whole or in part) ~~and the cost of~~ providing food, clothing, shelter, daily supervision, school supplies, a child's personal incidentals, liability insurance with respect to a child, and reasonable amounts for travel to the child's home for visitation. In the case of a child caring institution, the term also includes the reasonable costs of administration and operation of the institution as are necessary to provide the items described in this clause.

(3) If the court:

(A) does not enter a support order; or

(B) enters an order that is not based on the child support guidelines;

the court shall make findings as required by 45 CFR 302.56(g).

(d) Payments in accordance with a support order assigned under subsection (b) or entered under subsection (c) (or IC 31-6-4-18(f) before its repeal) shall be paid through the clerk of the circuit court as trustee for remittance to the ~~county office~~ **department**.

(e) The Title IV-D agency shall establish, modify, or enforce a support order assigned or entered by a court under this section in accordance with IC 31-25-3, IC 31-25-4, and 42 U.S.C. 654. The ~~county office~~ **department** shall, if requested, assist the Title IV-D agency in performing its duties under this subsection.

(f) If the juvenile court terminates placement of a child out of the home of the child's parent or guardian, the court shall:

(1) notify the court that:

(A) entered a support order assigned to the county office under subsection (b); or

(B) had jurisdiction, immediately before the placement, to modify or enforce the existing support order;

of the termination of jurisdiction of the juvenile court with respect to the support order;

(2) terminate a support order entered under subsection (c) that requires payment of support by a custodial parent or guardian of the child, with respect to support obligations that accrue after

1 termination of the placement; or

2 (3) continue in effect, subject to modification or enforcement by
3 a court having jurisdiction over the obligor, a support order
4 entered under subsection (c) that requires payment of support by
5 a noncustodial parent or guardian of the estate of the child.

6 (g) The court may at or after a hearing described in section 3 of this
7 chapter order the child's parent or the guardian of the child's estate to
8 reimburse the ~~county office~~ **department** for all or any portion of the
9 expenses for services provided to or for the benefit of the child that are
10 paid from the ~~county state~~ family and children's fund during the
11 placement of the child out of the home of the parent or guardian, in
12 addition to amounts reimbursed through payments in accordance with
13 a support order assigned or entered as provided in this section, subject
14 to applicable federal law.

15 SECTION 466. IC 31-40-1-6, AS AMENDED BY P.L.145-2006,
16 SECTION 363, IS AMENDED TO READ AS FOLLOWS
17 [EFFECTIVE UPON PASSAGE]: Sec. 6. (a) The department ~~with the~~
18 ~~approval of the county fiscal body,~~ may contract with any of the
19 following, on terms and conditions with respect to compensation and
20 payment or reimbursement of expenses as the department may
21 determine, for the enforcement and collection of any parental
22 reimbursement obligation established by order entered by the court
23 under section 3 or 5(g) of this chapter:

24 (1) The prosecuting attorney of the county that paid the cost of the
25 services ordered by the court, as provided in section 2 of this
26 chapter.

27 (2) An attorney for the department on behalf of the ~~county office~~
28 **department** that paid the cost of services ~~ordered by the court,~~
29 **provided by or through the department,** if the attorney is not an
30 employee of the county office or the department.

31 (3) An attorney licensed to practice law in Indiana.

32 (b) A contract entered into under this section is subject to approval
33 under IC 4-13-2-14.1.

34 (c) Any fee payable to a prosecuting attorney under a contract under
35 subsection (a)(1) shall be deposited in the county general fund and
36 credited to a separate account identified as the prosecuting attorney's
37 child services collections account. The prosecuting attorney may
38 expend funds credited to the prosecuting attorney's child services
39 collections account, without appropriation, only for the purpose of
40 supporting and enhancing the functions of the prosecuting attorney in
41 enforcement and collection of parental obligations to reimburse the
42 ~~county family and children's fund:~~ **department.**

43 SECTION 467. IC 31-40-1-7, AS AMENDED BY P.L.145-2006,
44 SECTION 364, IS AMENDED TO READ AS FOLLOWS
45 [EFFECTIVE JANUARY 1, 2009]: Sec. 7. (a) Amounts received as
46 payment of support or reimbursement of the cost of services paid as

provided in this chapter shall be distributed in the following manner:

(1) If any part of the cost of services was paid from federal funds under Title IV Part E of the Social Security Act (42 U.S.C. 671 et seq.), the amounts received shall first be applied as provided in 42 U.S.C. 657 and 45 CFR 302.52.

(2) All amounts remaining after the distributions required by subdivision (1) shall be deposited in the **state** family and children's fund ~~(established by IC 12-19-7-3)~~ of the county that paid the cost of the services.

(b) Any money deposited in a ~~county~~ **state** family and children's fund under this section shall be reported to the department. ~~in the form and manner prescribed by the department; and shall be applied to the child services budget compiled and adopted by the county director for the next state fiscal year; in accordance with IC 12-19-7-6.~~

SECTION 468. IC 31-40-4-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. If the parent or guardian of the estate:

(1) defaults in reimbursing the ~~county~~ **department**; or

(2) fails to pay a fee authorized by this article;

the juvenile court may find the parent or guardian in contempt and enter judgment for the amount due."

Page 225, between lines 3 and 4, begin a new paragraph and insert:

"SECTION 472. IC 33-37-8-5, AS AMENDED BY P.L.60-2006, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 5. (a) A county user fee fund is established in each county to finance various program services. The county fund is administered by the county auditor.

(b) The county fund consists of the following fees collected by a clerk under this article: ~~and by the probation department for the juvenile court under IC 31-34-8-8 or IC 31-37-9-9.~~

(1) The pretrial diversion program fee.

(2) The informal adjustment program fee.

(3) The marijuana eradication program fee.

(4) The alcohol and drug services program fee.

(5) The law enforcement continuing education program fee.

(6) The deferral program fee.

(7) The jury fee.

(8) The drug court fee.

(9) The reentry court fee.

(c) All of the jury fee and two dollars (\$2) of a deferral program fee collected under IC 33-37-4-2(e) shall be deposited by the county auditor in the jury pay fund established under IC 33-37-11.

SECTION 473. IC 33-38-9-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 8. (a) The Indiana judicial center shall maintain a roster of in-state facilities that have the expertise to provide child services ~~(as defined in IC 12-19-7-1)~~ in a

1 residential setting to:

- 2 (1) children in need of services (as described in IC 31-34-1); or
 3 (2) delinquent children (as described in IC 31-37-1 and
 4 IC 31-37-2).

5 (b) The roster under subsection (a) must include the information
 6 necessary to allow a court having juvenile jurisdiction to select an
 7 in-state placement of a child instead of placing the child in an
 8 out-of-state facility under IC 31-34 or IC 31-37. The roster must
 9 include at least the following information:

- 10 (1) Name, address, and telephone number of each facility.
 11 (2) Owner and contact person for each facility.
 12 (3) Description of the child services that each facility provides
 13 and any limitations that the facility imposes on acceptance of a
 14 child placed by a juvenile court.
 15 (4) Number of children that each facility can serve on a
 16 residential basis.
 17 (5) Number of residential openings at each facility.

18 (c) The Indiana judicial center shall revise the information in the
 19 roster at least monthly.

20 (d) The Indiana judicial center shall make the information in the
 21 roster readily available to courts with juvenile jurisdiction."

22 Page 226, between lines 26 and 27, begin a new paragraph and
 23 insert:

24 "SECTION 475. IC 36-2-6-4.5, AS AMENDED BY P.L.145-2006,
 25 SECTION 373, IS AMENDED TO READ AS FOLLOWS
 26 [EFFECTIVE JANUARY 1, 2009]: Sec. 4.5. (a) A county executive
 27 may adopt an ordinance allowing money to be disbursed for lawful
 28 county purposes under this section.

29 (b) Notwithstanding IC 5-11-10, with the prior written approval of
 30 the board having jurisdiction over the allowance of claims, the county
 31 auditor may make claim payments in advance of board allowance for
 32 the following kinds of expenses if the county executive has adopted an
 33 ordinance under subsection (a):

- 34 (1) Property or services purchased or leased from the United
 35 States government, its agencies, or its political subdivisions.
 36 (2) License or permit fees.
 37 (3) Insurance premiums.
 38 (4) Utility payments or utility connection charges.
 39 (5) General grant programs where advance funding is not
 40 prohibited and the contracting party posts sufficient security to
 41 cover the amount advanced.
 42 (6) Grants of state funds authorized by statute.
 43 (7) Maintenance or service agreements.
 44 (8) Leases or rental agreements.
 45 (9) Bond or coupon payments.
 46 (10) Payroll.

(11) State or federal taxes.

(12) Expenses that must be paid because of emergency circumstances.

(13) Expenses described in an ordinance.

~~(14) Expenses incurred under a procurement contract under IC 31-25-2-17.~~

(c) Each payment of expenses under this section must be supported by a fully itemized invoice or bill and certification by the county auditor.

(d) The county executive or the county board having jurisdiction over the allowance of the claim shall review and allow the claim at its next regular or special meeting following the preapproved payment of the expense.

(e) A payment of expenses under this section must be published in the manner provided under section 3 of this chapter."

Page 235, between lines 13 and 14, begin a new paragraph and insert:

"SECTION 486. IC 36-6-1.5-12, AS ADDED BY P.L.240-2005, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 12. The officers of the new township government shall:

(1) obtain from the ~~department of local government finance~~ **county board of tax and capital projects review** approval under ~~IC 6-1.1-18.5-7~~ of:

(A) a budget;

(B) an ad valorem property tax levy; and

(C) a property tax rate;

(2) fix the annual budget under IC 6-1.1-17;

(3) impose a property tax levy; and

(4) take any action necessary to ensure the collection of fees and other revenue;

for the new township government for the budget year following the year the officers take office.

SECTION 487. IC 36-6-1.6-10, AS ADDED BY P.L.240-2005, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 10. The officers of a new reestablished township government shall:

(1) obtain from the ~~department of local government finance~~ **county board of tax and capital projects review** approval under ~~IC 6-1.1-18.5-7~~ of:

(A) a budget;

(B) an ad valorem property tax levy; and

(C) a property tax rate;

(2) fix the annual budget under IC 6-1.1-17;

(3) impose a property tax levy; and

(4) take any action necessary to ensure the collection of fees and

1 other revenue;
 2 for the new township government for the budget year following the
 3 year the officers take office.".

4 Page 240, between lines 11 and 12, begin a new paragraph and
 5 insert:

6 "SECTION 491. IC 36-7-14-39, AS AMENDED BY P.L.154-2006,
 7 SECTION 72, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 8 JANUARY 1, 2009]: Sec. 39. (a) As used in this section:

9 "Allocation area" means that part of a redevelopment project area
 10 to which an allocation provision of a declaratory resolution adopted
 11 under section 15 of this chapter refers for purposes of distribution and
 12 allocation of property taxes.

13 "Base assessed value" means the following:

14 (1) If an allocation provision is adopted after June 30, 1995, in a
 15 declaratory resolution or an amendment to a declaratory
 16 resolution establishing an economic development area:

17 (A) the net assessed value of all the property as finally
 18 determined for the assessment date immediately preceding the
 19 effective date of the allocation provision of the declaratory
 20 resolution, as adjusted under subsection (h); plus

21 (B) to the extent that it is not included in clause (A), the net
 22 assessed value of property that is assessed as residential
 23 property under the rules of the department of local government
 24 finance, as finally determined for any assessment date after the
 25 effective date of the allocation provision.

26 (2) If an allocation provision is adopted after June 30, 1997, in a
 27 declaratory resolution or an amendment to a declaratory
 28 resolution establishing a redevelopment project area:

29 (A) the net assessed value of all the property as finally
 30 determined for the assessment date immediately preceding the
 31 effective date of the allocation provision of the declaratory
 32 resolution, as adjusted under subsection (h); plus

33 (B) to the extent that it is not included in clause (A), the net
 34 assessed value of property that is assessed as residential
 35 property under the rules of the department of local government
 36 finance, as finally determined for any assessment date after the
 37 effective date of the allocation provision.

38 (3) If:

39 (A) an allocation provision adopted before June 30, 1995, in
 40 a declaratory resolution or an amendment to a declaratory
 41 resolution establishing a redevelopment project area expires
 42 after June 30, 1997; and

43 (B) after June 30, 1997, a new allocation provision is included
 44 in an amendment to the declaratory resolution;

45 the net assessed value of all the property as finally determined for
 46 the assessment date immediately preceding the effective date of

the allocation provision adopted after June 30, 1997, as adjusted under subsection (h).

(4) Except as provided in subdivision (5), for all other allocation areas, the net assessed value of all the property as finally determined for the assessment date immediately preceding the effective date of the allocation provision of the declaratory resolution, as adjusted under subsection (h).

(5) If an allocation area established in an economic development area before July 1, 1995, is expanded after June 30, 1995, the definition in subdivision (1) applies to the expanded part of the area added after June 30, 1995.

(6) If an allocation area established in a redevelopment project area before July 1, 1997, is expanded after June 30, 1997, the definition in subdivision (2) applies to the expanded part of the area added after June 30, 1997.

Except as provided in section 39.3 of this chapter, "property taxes" means taxes imposed under IC 6-1.1 on real property. However, upon approval by a resolution of the redevelopment commission adopted before June 1, 1987, "property taxes" also includes taxes imposed under IC 6-1.1 on depreciable personal property. If a redevelopment commission adopted before June 1, 1987, a resolution to include within the definition of property taxes taxes imposed under IC 6-1.1 on depreciable personal property that has a useful life in excess of eight (8) years, the commission may by resolution determine the percentage of taxes imposed under IC 6-1.1 on all depreciable personal property that will be included within the definition of property taxes. However, the percentage included must not exceed twenty-five percent (25%) of the taxes imposed under IC 6-1.1 on all depreciable personal property.

(b) A declaratory resolution adopted under section 15 of this chapter on or before the allocation deadline determined under subsection (i) may include a provision with respect to the allocation and distribution of property taxes for the purposes and in the manner provided in this section. A declaratory resolution previously adopted may include an allocation provision by the amendment of that declaratory resolution on or before the allocation deadline determined under subsection (i) in accordance with the procedures required for its original adoption. A declaratory resolution or an amendment that establishes an allocation provision after June 30, 1995, must specify an expiration date for the allocation provision that may not be more than thirty (30) years after the date on which the allocation provision is established. However, if bonds or other obligations that were scheduled when issued to mature before the specified expiration date and that are payable only from allocated tax proceeds with respect to the allocation area remain outstanding as of the expiration date, the allocation provision does not expire until all of the bonds or other obligations are no longer outstanding. The allocation provision may apply to all or part of the

1 redevelopment project area. The allocation provision must require that
 2 any property taxes subsequently levied by or for the benefit of any
 3 public body entitled to a distribution of property taxes on taxable
 4 property in the allocation area be allocated and distributed as follows:

5 (1) Except as otherwise provided in this section, the proceeds of
 6 the taxes attributable to the lesser of:

7 (A) the assessed value of the property for the assessment date
 8 with respect to which the allocation and distribution is made;
 9 or

10 (B) the base assessed value;

11 shall be allocated to and, when collected, paid into the funds of
 12 the respective taxing units.

13 (2) Except as otherwise provided in this section, property tax
 14 proceeds in excess of those described in subdivision (1) shall be
 15 allocated to the redevelopment district and, when collected, paid
 16 into an allocation fund for that allocation area that may be used by
 17 the redevelopment district only to do one (1) or more of the
 18 following:

19 (A) Pay the principal of and interest on any obligations
 20 payable solely from allocated tax proceeds which are incurred
 21 by the redevelopment district for the purpose of financing or
 22 refinancing the redevelopment of that allocation area.

23 (B) Establish, augment, or restore the debt service reserve for
 24 bonds payable solely or in part from allocated tax proceeds in
 25 that allocation area.

26 (C) Pay the principal of and interest on bonds payable from
 27 allocated tax proceeds in that allocation area and from the
 28 special tax levied under section 27 of this chapter.

29 (D) Pay the principal of and interest on bonds issued by the
 30 unit to pay for local public improvements in or serving that
 31 allocation area.

32 (E) Pay premiums on the redemption before maturity of bonds
 33 payable solely or in part from allocated tax proceeds in that
 34 allocation area.

35 (F) Make payments on leases payable from allocated tax
 36 proceeds in that allocation area under section 25.2 of this
 37 chapter.

38 (G) Reimburse the unit for expenditures made by it for local
 39 public improvements (which include buildings, parking
 40 facilities, and other items described in section 25.1(a) of this
 41 chapter) in or serving that allocation area.

42 (H) Reimburse the unit for rentals paid by it for a building or
 43 parking facility in or serving that allocation area under any
 44 lease entered into under IC 36-1-10.

45 (I) Pay all or a part of a property tax replacement credit to
 46 taxpayers in an allocation area as determined by the

redevelopment commission. This credit equals the amount determined under the following STEPS for each taxpayer in a taxing district (as defined in IC 6-1.1-1-20) that contains all or part of the allocation area:

STEP ONE: Determine that part of the sum of the amounts under IC 6-1.1-21-2(g)(1)(A); IC 6-1.1-21-2(g)(2); IC 6-1.1-21-2(g)(3); IC 6-1.1-21-2(g)(4); and IC 6-1.1-21-2(g)(5) that is attributable to the taxing district.

STEP TWO: Divide:

- (i) that part of each county's eligible property tax replacement amount (as defined in IC 6-1.1-21-2) for that year as determined under IC 6-1.1-21-4 that is attributable to the taxing district; by
- (ii) the STEP ONE sum.

STEP THREE: Multiply:

- (i) the STEP TWO quotient; times
- (ii) the total amount of the taxpayer's taxes (as defined in IC 6-1.1-21-2) levied in the taxing district that have been allocated during that year to an allocation fund under this section.

If not all the taxpayers in an allocation area receive the credit in full, each taxpayer in the allocation area is entitled to receive the same proportion of the credit. A taxpayer may not receive a credit under this section and a credit under section 39.5 of this chapter in the same year.

~~(F)~~ **(I)** Pay expenses incurred by the redevelopment commission for local public improvements that are in the allocation area or serving the allocation area. Public improvements include buildings, parking facilities, and other items described in section 25.1(a) of this chapter.

~~(K)~~ **(J)** Reimburse public and private entities for expenses incurred in training employees of industrial facilities that are located:

- (i) in the allocation area; and
- (ii) on a parcel of real property that has been classified as industrial property under the rules of the department of local government finance.

However, the total amount of money spent for this purpose in any year may not exceed the total amount of money in the allocation fund that is attributable to property taxes paid by the industrial facilities described in this clause. The reimbursements under this clause must be made within three (3) years after the date on which the investments that are the basis for the increment financing are made.

The allocation fund may not be used for operating expenses of the commission.

(3) Except as provided in subsection (g), before July 15 of each year the commission shall do the following:

(A) Determine the amount, if any, by which the base assessed value when multiplied by the estimated tax rate of the allocation area will exceed the amount of assessed value needed to produce the property taxes necessary to make, when due, principal and interest payments on bonds described in subdivision (2) plus the amount necessary for other purposes described in subdivision (2).

(B) Notify the county auditor of the amount, if any, of the amount of excess assessed value that the commission has determined may be allocated to the respective taxing units in the manner prescribed in subdivision (1). The commission may not authorize an allocation of assessed value to the respective taxing units under this subdivision if to do so would endanger the interests of the holders of bonds described in subdivision (2) or lessors under section 25.3 of this chapter.

(c) For the purpose of allocating taxes levied by or for any taxing unit or units, the assessed value of taxable property in a territory in the allocation area that is annexed by any taxing unit after the effective date of the allocation provision of the declaratory resolution is the lesser of:

(1) the assessed value of the property for the assessment date with respect to which the allocation and distribution is made; or

(2) the base assessed value.

(d) Property tax proceeds allocable to the redevelopment district under subsection (b)(2) may, subject to subsection (b)(3), be irrevocably pledged by the redevelopment district for payment as set forth in subsection (b)(2).

(e) Notwithstanding any other law, each assessor shall, upon petition of the redevelopment commission, reassess the taxable property situated upon or in, or added to, the allocation area, effective on the next assessment date after the petition.

(f) Notwithstanding any other law, the assessed value of all taxable property in the allocation area, for purposes of tax limitation, property tax replacement, and formulation of the budget, tax rate, and tax levy for each political subdivision in which the property is located is the lesser of:

(1) the assessed value of the property as valued without regard to this section; or

(2) the base assessed value.

(g) If any part of the allocation area is located in an enterprise zone created under IC 5-28-15, the unit that designated the allocation area shall create funds as specified in this subsection. A unit that has obligations, bonds, or leases payable from allocated tax proceeds under subsection (b)(2) shall establish an allocation fund for the purposes

specified in subsection (b)(2) and a special zone fund. Such a unit shall, until the end of the enterprise zone phase out period, deposit each year in the special zone fund any amount in the allocation fund derived from property tax proceeds in excess of those described in subsection (b)(1) from property located in the enterprise zone that exceeds the amount sufficient for the purposes specified in subsection (b)(2) for the year. The amount sufficient for purposes specified in subsection (b)(2) for the year shall be determined based on the pro rata portion of such current property tax proceeds from the part of the enterprise zone that is within the allocation area as compared to all such current property tax proceeds derived from the allocation area. A unit that has no obligations, bonds, or leases payable from allocated tax proceeds under subsection (b)(2) shall establish a special zone fund and deposit all the property tax proceeds in excess of those described in subsection (b)(1) in the fund derived from property tax proceeds in excess of those described in subsection (b)(1) from property located in the enterprise zone. The unit that creates the special zone fund shall use the fund (based on the recommendations of the urban enterprise association) for programs in job training, job enrichment, and basic skill development that are designed to benefit residents and employers in the enterprise zone or other purposes specified in subsection (b)(2), except that where reference is made in subsection (b)(2) to allocation area it shall refer for purposes of payments from the special zone fund only to that part of the allocation area that is also located in the enterprise zone. Those programs shall reserve at least one-half (1/2) of their enrollment in any session for residents of the enterprise zone.

(h) The state board of accounts and department of local government finance shall make the rules and prescribe the forms and procedures that they consider expedient for the implementation of this chapter. After each general reassessment under IC 6-1.1-4, the department of local government finance shall adjust the base assessed value one (1) time to neutralize any effect of the general reassessment on the property tax proceeds allocated to the redevelopment district under this section. After each annual adjustment under IC 6-1.1-4-4.5, the department of local government finance shall adjust the base assessed value one (1) time to neutralize any effect of the annual adjustment on the property tax proceeds allocated to the redevelopment district under this section. However, the adjustments under this subsection may not include the effect of property tax abatements under IC 6-1.1-12.1, and these adjustments may not produce less property tax proceeds allocable to the redevelopment district under subsection (b)(2) than would otherwise have been received if the general reassessment or annual adjustment had not occurred. The department of local government finance may prescribe procedures for county and township officials to follow to assist the department in making the adjustments.

(i) The allocation deadline referred to in subsection (b) is

1 determined in the following manner:

- 2 (1) The initial allocation deadline is December 31, 2011.
- 3 (2) Subject to subdivision (3), the initial allocation deadline and
- 4 subsequent allocation deadlines are automatically extended in
- 5 increments of five (5) years, so that allocation deadlines
- 6 subsequent to the initial allocation deadline fall on December 31,
- 7 2016, and December 31 of each fifth year thereafter.
- 8 (3) At least one (1) year before the date of an allocation deadline
- 9 determined under subdivision (2), the general assembly may enact
- 10 a law that:
- 11 (A) terminates the automatic extension of allocation deadlines
- 12 under subdivision (2); and
- 13 (B) specifically designates a particular date as the final
- 14 allocation deadline.

15 SECTION 492. IC 36-7-14-48, AS AMENDED BY P.L.219-2007,
 16 SECTION 126, IS AMENDED TO READ AS FOLLOWS
 17 [EFFECTIVE JANUARY 1, 2009]: Sec. 48. (a) Notwithstanding
 18 section 39(a) of this chapter, with respect to the allocation and
 19 distribution of property taxes for the accomplishment of a program
 20 adopted under section 45 of this chapter, "base assessed value" means
 21 the net assessed value of all of the property, other than personal
 22 property, as finally determined for the assessment date immediately
 23 preceding the effective date of the allocation provision, as adjusted
 24 under section 39(h) of this chapter.

25 (b) The allocation fund established under section 39(b) of this
 26 chapter for the allocation area for a program adopted under section 45
 27 of this chapter may be used only for purposes related to the
 28 accomplishment of the program, including the following:

- 29 (1) The construction, rehabilitation, or repair of residential units
- 30 within the allocation area.
- 31 (2) The construction, reconstruction, or repair of any
- 32 infrastructure (including streets, sidewalks, and sewers) within or
- 33 serving the allocation area.
- 34 (3) The acquisition of real property and interests in real property
- 35 within the allocation area.
- 36 (4) The demolition of real property within the allocation area.
- 37 (5) The provision of financial assistance to enable individuals and
- 38 families to purchase or lease residential units within the allocation
- 39 area. However, financial assistance may be provided only to those
- 40 individuals and families whose income is at or below the county's
- 41 median income for individuals and families, respectively.
- 42 (6) The provision of financial assistance to neighborhood
- 43 development corporations to permit them to provide financial
- 44 assistance for the purposes described in subdivision (5).
- 45 (7) ~~Providing each taxpayer in the allocation area a credit for~~
- 46 ~~property tax replacement as determined under subsections (c) and~~

(d). However, the commission may provide this credit only if the municipal legislative body (in the case of a redevelopment commission established by a municipality) or the county executive (in the case of a redevelopment commission established by a county) establishes the credit by ordinance adopted in the year before the year in which the credit is provided:

(c) The maximum credit that may be provided under subsection (b)(7) to a taxpayer in a taxing district that contains all or part of an allocation area established for a program adopted under section 45 of this chapter shall be determined as follows:

STEP ONE: Determine that part of the sum of the amounts described in IC 6-1.1-21-2(g)(1)(A) and IC 6-1.1-21-2(g)(2) through IC 6-1.1-21-2(g)(5) that is attributable to the taxing district:

STEP TWO: Divide:

(A) that part of each county's eligible property tax replacement amount (as defined in IC 6-1.1-21-2) for that year as determined under IC 6-1.1-21-4(a)(1) that is attributable to the taxing district; by

(B) the amount determined under STEP ONE:

STEP THREE: Multiply:

(A) the STEP TWO quotient; by

(B) the taxpayer's taxes (as defined in IC 6-1.1-21-2) levied in the taxing district allocated to the allocation fund; including the amount that would have been allocated but for the credit:

(d) The commission may determine to grant to taxpayers in an allocation area from its allocation fund a credit under this section; as calculated under subsection (c). Except as provided in subsection (g), one-half (1/2) of the credit shall be applied to each installment of taxes (as defined in IC 6-1.1-21-2) that under IC 6-1.1-22-9 are due and payable in a year. The commission must provide for the credit annually by a resolution and must find in the resolution the following:

(1) That the money to be collected and deposited in the allocation fund; based upon historical collection rates; after granting the credit will equal the amounts payable for contractual obligations from the fund; plus ten percent (10%) of those amounts:

(2) If bonds payable from the fund are outstanding; that there is a debt service reserve for the bonds that at least equals the amount of the credit to be granted:

(3) If bonds of a lessor under section 25.2 of this chapter or under IC 36-1-10 are outstanding and if lease rentals are payable from the fund; that there is a debt service reserve for those bonds that at least equals the amount of the credit to be granted:

If the tax increment is insufficient to grant the credit in full; the commission may grant the credit in part; prorated among all taxpayers:

(e) (c) Notwithstanding section 39(b) of this chapter, the allocation

fund established under section 39(b) of this chapter for the allocation area for a program adopted under section 45 of this chapter may only be used to do one (1) or more of the following:

- (1) Accomplish one (1) or more of the actions set forth in section 39(b)(2)(A) through 39(b)(2)(H) and 39(b)(2)(J) of this chapter for property that is residential in nature.
- (2) Reimburse the county or municipality for expenditures made by the county or municipality in order to accomplish the housing program in that allocation area.

The allocation fund may not be used for operating expenses of the commission.

~~(f)~~ **(d)** Notwithstanding section 39(b) of this chapter, the commission shall, relative to the allocation fund established under section 39(b) of this chapter for an allocation area for a program adopted under section 45 of this chapter, do the following before July 15 of each year:

- (1) Determine the amount, if any, by which property taxes payable to the allocation fund in the following year will exceed the amount of property taxes necessary:
 - (A) to make, when due, principal and interest payments on bonds described in section 39(b)(2) of this chapter;
 - (B) to pay the amount necessary for other purposes described in section 39(b)(2) of this chapter; and
 - (C) to reimburse the county or municipality for anticipated expenditures described in subsection ~~(e)(2)~~: **(c)(2)**.
- (2) Notify the county auditor of the amount, if any, of excess property taxes that the commission has determined may be paid to the respective taxing units in the manner prescribed in section 39(b)(1) of this chapter.

~~(g)~~ This subsection applies to an allocation area only to the extent that the net assessed value of property that is assessed as residential property under the rules of the department of local government finance is not included in the base assessed value. If property tax installments with respect to a homestead (as defined in IC 6-1.1-20.9-1) are due in installments established by the department of local government finance under IC 6-1.1-22-9.5, each taxpayer subject to those installments in an allocation area is entitled to an additional credit under subsection ~~(d)~~ for the taxes (as defined in IC 6-1.1-21-2) due in installments. The credit shall be applied in the same proportion to each installment of taxes (as defined in IC 6-1.1-21-2).

SECTION 493. IC 36-7-14.5-12.5, AS AMENDED BY P.L.219-2007, SECTION 127, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 12.5. (a) This section applies only to an authority in a county having a United States government military base that is scheduled for closing or is completely or partially inactive or closed.

(b) In order to accomplish the purposes set forth in section 11 of this chapter, an authority may create an economic development area:

(1) by following the procedures set forth in IC 36-7-14-41 for the establishment of an economic development area by a redevelopment commission; and

(2) with the same effect as if the economic development area was created by a redevelopment commission.

The area established under this section shall be established only in the area where a United States government military base that is scheduled for closing or is completely or partially inactive or closed is or was located.

(c) In order to accomplish the purposes set forth in section 11 of this chapter, an authority may do the following in a manner that serves an economic development area created under this section:

(1) Acquire by purchase, exchange, gift, grant, condemnation, or lease, or any combination of methods, any personal property or interest in real property needed for the redevelopment of economic development areas located within the corporate boundaries of the unit.

(2) Hold, use, sell (by conveyance by deed, land sale contract, or other instrument), exchange, lease, rent, or otherwise dispose of property acquired for use in the redevelopment of economic development areas on the terms and conditions that the authority considers best for the unit and the unit's inhabitants.

(3) Sell, lease, or grant interests in all or part of the real property acquired for redevelopment purposes to any other department of the unit or to any other governmental agency for public ways, levees, sewerage, parks, playgrounds, schools, and other public purposes on any terms that may be agreed on.

(4) Clear real property acquired for redevelopment purposes.

(5) Repair and maintain structures acquired for redevelopment purposes.

(6) Remodel, rebuild, enlarge, or make major structural improvements on structures acquired for redevelopment purposes.

(7) Survey or examine any land to determine whether the land should be included within an economic development area to be acquired for redevelopment purposes and to determine the value of that land.

(8) Appear before any other department or agency of the unit, or before any other governmental agency in respect to any matter affecting:

(A) real property acquired or being acquired for redevelopment purposes; or

(B) any economic development area within the jurisdiction of the authority.

(9) Institute or defend in the name of the unit any civil action, but

all actions against the authority must be brought in the circuit or superior court of the county where the authority is located.

(10) Use any legal or equitable remedy that is necessary or considered proper to protect and enforce the rights of and perform the duties of the authority.

(11) Exercise the power of eminent domain in the name of and within the corporate boundaries of the unit subject to the same conditions and procedures that apply to the exercise of the power of eminent domain by a redevelopment commission under IC 36-7-14.

(12) Appoint an executive director, appraisers, real estate experts, engineers, architects, surveyors, and attorneys.

(13) Appoint clerks, guards, laborers, and other employees the authority considers advisable, except that those appointments must be made in accordance with the merit system of the unit if such a system exists.

(14) Prescribe the duties and regulate the compensation of employees of the authority.

(15) Provide a pension and retirement system for employees of the authority by using the public employees' retirement fund or a retirement plan approved by the United States Department of Housing and Urban Development.

(16) Discharge and appoint successors to employees of the authority subject to subdivision (13).

(17) Rent offices for use of the department or authority, or accept the use of offices furnished by the unit.

(18) Equip the offices of the authority with the necessary furniture, furnishings, equipment, records, and supplies.

(19) Design, order, contract for, and construct, reconstruct, improve, or renovate the following:

(A) Any local public improvement or structure that is necessary for redevelopment purposes or economic development within the corporate boundaries of the unit.

(B) Any structure that enhances development or economic development.

(20) Contract for the construction, extension, or improvement of pedestrian skyways (as defined in IC 36-7-14-12.2(c)).

(21) Accept loans, grants, and other forms of financial assistance from, or contract with, the federal government, the state government, a municipal corporation, a special taxing district, a foundation, or any other source.

(22) Make and enter into all contracts and agreements necessary or incidental to the performance of the duties of the authority and the execution of the powers of the authority under this chapter.

(23) Take any action necessary to implement the purpose of the authority.

(24) Provide financial assistance, in the manner that best serves the purposes set forth in section 11 of this chapter, including grants and loans, to enable private enterprise to develop, redevelop, and reuse military base property or otherwise enable private enterprise to provide social and economic benefits to the citizens of the unit.

(d) An authority may designate all or a portion of an economic development area created under this section as an allocation area by following the procedures set forth in IC 36-7-14-39 for the establishment of an allocation area by a redevelopment commission. The allocation provision may modify the definition of "property taxes" under IC 36-7-14-39(a) to include taxes imposed under IC 6-1.1 on the depreciable personal property located and taxable on the site of operations of designated taxpayers in accordance with the procedures applicable to a commission under IC 36-7-14-39.3. IC 36-7-14-39.3 applies to such a modification. An allocation area established by an authority under this section is a special taxing district authorized by the general assembly to enable the unit to provide special benefits to taxpayers in the allocation area by promoting economic development that is of public use and benefit. For allocation areas established for an economic development area created under this section after June 30, 1997, and to the expanded portion of an allocation area for an economic development area that was established before June 30, 1997, and that is expanded under this section after June 30, 1997, the net assessed value of property that is assessed as residential property under the rules of the department of local government finance, as finally determined for any assessment date, must be allocated. All of the provisions of IC 36-7-14-39, ~~and IC 36-7-14-39.1 and IC 36-7-14-39.5~~ apply to an allocation area created under this section, except that the authority shall be vested with the rights and duties of a commission as referenced in those sections, and except that, notwithstanding IC 36-7-14-39(b)(2), property tax proceeds paid into the allocation fund may be used by the authority only to do one (1) or more of the following:

(1) Pay the principal of and interest and redemption premium on any obligations incurred by the special taxing district or any other entity for the purpose of financing or refinancing military base reuse activities in or serving or benefiting that allocation area.

(2) Establish, augment, or restore the debt service reserve for obligations payable solely or in part from allocated tax proceeds in that allocation area or from other revenues of the authority (including lease rental revenues).

(3) Make payments on leases payable solely or in part from allocated tax proceeds in that allocation area.

(4) Reimburse any other governmental body for expenditures made by it for local public improvements or structures in or

1 serving or benefiting that allocation area.

2 (5) Pay all or a portion of a property tax replacement credit to
3 taxpayers in an allocation area as determined by the authority.
4 This credit equals the amount determined under the following
5 STEPS for each taxpayer in a taxing district (as defined in
6 IC 6-1.1-1-20) that contains all or part of the allocation area:

7 STEP ONE: Determine that part of the sum of the amounts
8 under IC 6-1.1-21-2(g)(1)(A), IC 6-1.1-21-2(g)(2),
9 IC 6-1.1-21-2(g)(3), IC 6-1.1-21-2(g)(4), and
10 IC 6-1.1-21-2(g)(5) that is attributable to the taxing district.

11 STEP TWO: Divide:

12 (A) that part of each county's eligible property tax
13 replacement amount (as defined in IC 6-1.1-21-2) for that
14 year as determined under IC 6-1.1-21-4 that is attributable
15 to the taxing district; by

16 (B) the STEP ONE sum.

17 STEP THREE: Multiply:

18 (A) the STEP TWO quotient; by

19 (B) the total amount of the taxpayer's taxes (as defined in
20 IC 6-1.1-21-2) levied in the taxing district that have been
21 allocated during that year to an allocation fund under this
22 section.

23 If not all the taxpayers in an allocation area receive the credit in
24 full, each taxpayer in the allocation area is entitled to receive the
25 same proportion of the credit. A taxpayer may not receive a credit
26 under this section and a credit under IC 36-7-14-39.5 in the same
27 year.

28 ~~(6)~~ (5) Pay expenses incurred by the authority for local public
29 improvements or structures that are in the allocation area or
30 serving or benefiting the allocation area.

31 ~~(7)~~ (6) Reimburse public and private entities for expenses
32 incurred in training employees of industrial facilities that are
33 located:

34 (A) in the allocation area; and

35 (B) on a parcel of real property that has been classified as
36 industrial property under the rules of the department of local
37 government finance.

38 However, the total amount of money spent for this purpose in any
39 year may not exceed the total amount of money in the allocation
40 fund that is attributable to property taxes paid by the industrial
41 facilities described in clause (B). The reimbursements under this
42 subdivision must be made within three (3) years after the date on
43 which the investments that are the basis for the increment
44 financing are made. The allocation fund may not be used for
45 operating expenses of the authority.

46 (e) In addition to other methods of raising money for property

1 acquisition, redevelopment, or economic development activities in or
2 directly serving or benefitting an economic development area created
3 by an authority under this section, and in anticipation of the taxes
4 allocated under subsection (d), other revenues of the authority, or any
5 combination of these sources, the authority may, by resolution, issue
6 the bonds of the special taxing district in the name of the unit. Bonds
7 issued under this section may be issued in any amount without
8 limitation. The following apply if such a resolution is adopted:

9 (1) The authority shall certify a copy of the resolution authorizing
10 the bonds to the municipal or county fiscal officer, who shall then
11 prepare the bonds. The seal of the unit must be impressed on the
12 bonds, or a facsimile of the seal must be printed on the bonds.

13 (2) The bonds must be executed by the appropriate officer of the
14 unit and attested by the unit's fiscal officer.

15 (3) The bonds are exempt from taxation for all purposes.

16 (4) Bonds issued under this section may be sold at public sale in
17 accordance with IC 5-1-11 or at a negotiated sale.

18 (5) The bonds are not a corporate obligation of the unit but are an
19 indebtedness of the taxing district. The bonds and interest are
20 payable, as set forth in the bond resolution of the authority:

21 (A) from the tax proceeds allocated under subsection (d);

22 (B) from other revenues available to the authority; or

23 (C) from a combination of the methods stated in clauses (A)
24 and (B).

25 (6) Proceeds from the sale of bonds may be used to pay the cost
26 of interest on the bonds for a period not to exceed five (5) years
27 from the date of issuance.

28 (7) Laws relating to the filing of petitions requesting the issuance
29 of bonds and the right of taxpayers and voters to remonstrate
30 against the issuance of bonds do not apply to bonds issued under
31 this section.

32 (8) If a debt service reserve is created from the proceeds of bonds,
33 the debt service reserve may be used to pay principal and interest
34 on the bonds as provided in the bond resolution.

35 (9) If bonds are issued under this chapter that are payable solely
36 or in part from revenues to the authority from a project or
37 projects, the authority may adopt a resolution or trust indenture or
38 enter into covenants as is customary in the issuance of revenue
39 bonds. The resolution or trust indenture may pledge or assign the
40 revenues from the project or projects. The resolution or trust
41 indenture may also contain any provisions for protecting and
42 enforcing the rights and remedies of the bond owners as may be
43 reasonable and proper and not in violation of law, including
44 covenants setting forth the duties of the authority. The authority
45 may establish fees and charges for the use of any project and
46 covenant with the owners of any bonds to set those fees and

1 charges at a rate sufficient to protect the interest of the owners of
 2 the bonds. Any revenue bonds issued by the authority that are
 3 payable solely from revenues of the authority shall contain a
 4 statement to that effect in the form of bond.

5 (f) Notwithstanding section 8(a) of this chapter, an ordinance
 6 adopted under section 11 of this chapter may provide, or be amended
 7 to provide, that the board of directors of the authority shall be
 8 composed of not fewer than three (3) nor more than eleven (11)
 9 members, who must be residents of the unit appointed by the executive
 10 of the unit.

11 (g) The acquisition of real and personal property by an authority
 12 under this section is not subject to the provisions of IC 5-22,
 13 IC 36-1-10.5, IC 36-7-14-19, or any other statutes governing the
 14 purchase of property by public bodies or their agencies.

15 (h) An authority may negotiate for the sale, lease, or other
 16 disposition of real and personal property without complying with the
 17 provisions of IC 5-22-22, IC 36-1-11, IC 36-7-14-22, or any other
 18 statute governing the disposition of public property.

19 (i) Notwithstanding any other law, utility services provided within
 20 an economic development area established under this section are
 21 subject to regulation by the appropriate regulatory agencies unless the
 22 utility service is provided by a utility that provides utility service solely
 23 within the geographic boundaries of an existing or a closed military
 24 installation, in which case the utility service is not subject to regulation
 25 for purposes of rate making, regulation, service delivery, or issuance of
 26 bonds or other forms of indebtedness. However, this exemption from
 27 regulation does not apply to utility service if the service is generated,
 28 treated, or produced outside the boundaries of the existing or closed
 29 military installation."

30 Page 240, between lines 31 and 32, begin a new paragraph and
 31 insert:

32 "SECTION 495. IC 36-7-15.1-35, AS AMENDED BY
 33 P.L.219-2007, SECTION 131, IS AMENDED TO READ AS
 34 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 35. (a)
 35 Notwithstanding section 26(a) of this chapter, with respect to the
 36 allocation and distribution of property taxes for the accomplishment of
 37 a program adopted under section 32 of this chapter, "base assessed
 38 value" means the net assessed value of all of the land as finally
 39 determined for the assessment date immediately preceding the effective
 40 date of the allocation provision, as adjusted under section 26(g) of this
 41 chapter. However, "base assessed value" does not include the value of
 42 real property improvements to the land.

43 (b) The special fund established under section 26(b) of this chapter
 44 for the allocation area for a program adopted under section 32 of this
 45 chapter may be used only for purposes related to the accomplishment
 46 of the program, including the following:

(1) The construction, rehabilitation, or repair of residential units within the allocation area.

(2) The construction, reconstruction, or repair of infrastructure (such as streets, sidewalks, and sewers) within or serving the allocation area.

(3) The acquisition of real property and interests in real property within the allocation area.

(4) The demolition of real property within the allocation area.

(5) To provide financial assistance to enable individuals and families to purchase or lease residential units within the allocation area. However, financial assistance may be provided only to those individuals and families whose income is at or below the county's median income for individuals and families, respectively.

(6) To provide financial assistance to neighborhood development corporations to permit them to provide financial assistance for the purposes described in subdivision (5).

(7) To provide each taxpayer in the allocation area a credit for property tax replacement as determined under subsections (c) and (d). However, this credit may be provided by the commission only if the city-county legislative body establishes the credit by ordinance adopted in the year before the year in which the credit is provided:

(c) The maximum credit that may be provided under subsection (b)(7) to a taxpayer in a taxing district that contains all or part of an allocation area established for a program adopted under section 32 of this chapter shall be determined as follows:

STEP ONE: Determine that part of the sum of the amounts described in IC 6-1.1-21-2(g)(1)(A) and IC 6-1.1-21-2(g)(2) through IC 6-1.1-21-2(g)(5) that is attributable to the taxing district:

STEP TWO: Divide:

(A) that part of each county's eligible property tax replacement amount (as defined in IC 6-1.1-21-2) for that year as determined under IC 6-1.1-21-4(a)(1) that is attributable to the taxing district; by

(B) the amount determined under STEP ONE:

STEP THREE: Multiply:

(A) the STEP TWO quotient; by

(B) the taxpayer's taxes (as defined in IC 6-1.1-21-2) levied in the taxing district allocated to the allocation fund; including the amount that would have been allocated but for the credit.

(d) Except as provided in subsection (g), the commission may determine to grant to taxpayers in an allocation area from its allocation fund a credit under this section; as calculated under subsection (c); by applying one-half (1/2) of the credit to each installment of taxes (as defined in IC 6-1.1-21-2) that under IC 6-1.1-22-9 are due and payable

in a year. Except as provided in subsection (g), one-half (1/2) of the credit shall be applied to each installment of taxes (as defined in IC 6-1.1-21-2). The commission must provide for the credit annually by a resolution and must find in the resolution the following:

(1) That the money to be collected and deposited in the allocation fund; based upon historical collection rates; after granting the credit will equal the amounts payable for contractual obligations from the fund; plus ten percent (10%) of those amounts.

(2) If bonds payable from the fund are outstanding; that there is a debt service reserve for the bonds that at least equals the amount of the credit to be granted.

(3) If bonds of a lessor under section 17.1 of this chapter or under IC 36-1-10 are outstanding and if lease rentals are payable from the fund; that there is a debt service reserve for those bonds that at least equals the amount of the credit to be granted.

If the tax increment is insufficient to grant the credit in full; the commission may grant the credit in part; prorated among all taxpayers.

(e) (c) Notwithstanding section 26(b) of this chapter, the special fund established under section 26(b) of this chapter for the allocation area for a program adopted under section 32 of this chapter may only be used to do one (1) or more of the following:

(1) Accomplish one (1) or more of the actions set forth in section 26(b)(2)(A) through 26(b)(2)(H) of this chapter.

(2) Reimburse the consolidated city for expenditures made by the city in order to accomplish the housing program in that allocation area.

The special fund may not be used for operating expenses of the commission.

(f) (d) Notwithstanding section 26(b) of this chapter, the commission shall, relative to the special fund established under section 26(b) of this chapter for an allocation area for a program adopted under section 32 of this chapter, do the following before July 15 of each year:

(1) Determine the amount, if any, by which property taxes payable to the allocation fund in the following year will exceed the amount of property taxes necessary:

(A) to make, when due, principal and interest payments on bonds described in section 26(b)(2) of this chapter;

(B) to pay the amount necessary for other purposes described in section 26(b)(2) of this chapter; and

(C) to reimburse the consolidated city for anticipated expenditures described in subsection (e)(2).

(2) Notify the county auditor of the amount, if any, of excess property taxes that the commission has determined may be paid to the respective taxing units in the manner prescribed in section 26(b)(1) of this chapter.

(g) This subsection applies to an allocation area only to the extent

that the net assessed value of property that is assessed as residential property under the rules of the department of local government finance is not included in the base assessed value. If property tax installments with respect to a homestead (as defined in IC 6-1.1-20.9-1) are due in installments established by the department of local government finance under IC 6-1.1-22-9.5, each taxpayer subject to those installments in an allocation area is entitled to an additional credit under subsection (d) for the taxes (as defined in IC 6-1.1-21-2) due in installments. The credit shall be applied in the same proportion to each installment of taxes (as defined in IC 6-1.1-21-2).

SECTION 496. IC 36-7-26-25 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 25. The board may not approve a resolution under section 16 of this chapter until the board has satisfied itself that the city in which the proposed district will be established has maximized the use of tax increment financing under IC 36-7-14 or IC 36-7-14.5 to finance public improvements within or serving the proposed district. ~~subject to the granting of an additional credit under IC 36-7-14-39.5.~~ The city may not grant property tax abatements to the taxpayers within the proposed district or a district, except that the board may approve a resolution under section 16 of this chapter in the proposed district or a district in which real property tax abatement not to exceed three (3) years has been granted.

SECTION 497. IC 36-7-30-25, AS AMENDED BY P.L.154-2006, SECTION 79, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 25. (a) The following definitions apply throughout this section:

(1) "Allocation area" means that part of a military base reuse area to which an allocation provision of a declaratory resolution adopted under section 10 of this chapter refers for purposes of distribution and allocation of property taxes.

(2) "Base assessed value" means:

(A) the net assessed value of all the property as finally determined for the assessment date immediately preceding the adoption date of the allocation provision of the declaratory resolution, as adjusted under subsection (h); plus

(B) to the extent that it is not included in clause (A) or (C), the net assessed value of any and all parcels or classes of parcels identified as part of the base assessed value in the declaratory resolution or an amendment thereto, as finally determined for any subsequent assessment date; plus

(C) to the extent that it is not included in clause (A) or (B), the net assessed value of property that is assessed as residential property under the rules of the department of local government finance, as finally determined for any assessment date after the effective date of the allocation provision.

Clause (C) applies only to allocation areas established in a

1 military reuse area after June 30, 1997, and to the part of an
 2 allocation area that was established before June 30, 1997, and that
 3 is added to an existing allocation area after June 30, 1997.

4 (3) "Property taxes" means taxes imposed under IC 6-1.1 on real
 5 property.

6 (b) A declaratory resolution adopted under section 10 of this chapter
 7 before the date set forth in IC 36-7-14-39(b) pertaining to declaratory
 8 resolutions adopted under IC 36-7-14-15 may include a provision with
 9 respect to the allocation and distribution of property taxes for the
 10 purposes and in the manner provided in this section. A declaratory
 11 resolution previously adopted may include an allocation provision by
 12 the amendment of that declaratory resolution in accordance with the
 13 procedures set forth in section 13 of this chapter. The allocation
 14 provision may apply to all or part of the military base reuse area. The
 15 allocation provision must require that any property taxes subsequently
 16 levied by or for the benefit of any public body entitled to a distribution
 17 of property taxes on taxable property in the allocation area be allocated
 18 and distributed as follows:

19 (1) Except as otherwise provided in this section, the proceeds of
 20 the taxes attributable to the lesser of:

21 (A) the assessed value of the property for the assessment date
 22 with respect to which the allocation and distribution is made;
 23 or

24 (B) the base assessed value;

25 shall be allocated to and, when collected, paid into the funds of
 26 the respective taxing units.

27 (2) Except as otherwise provided in this section, property tax
 28 proceeds in excess of those described in subdivision (1) shall be
 29 allocated to the military base reuse district and, when collected,
 30 paid into an allocation fund for that allocation area that may be
 31 used by the military base reuse district and only to do one (1) or
 32 more of the following:

33 (A) Pay the principal of and interest and redemption premium
 34 on any obligations incurred by the military base reuse district
 35 or any other entity for the purpose of financing or refinancing
 36 military base reuse activities in or directly serving or
 37 benefiting that allocation area.

38 (B) Establish, augment, or restore the debt service reserve for
 39 bonds payable solely or in part from allocated tax proceeds in
 40 that allocation area or from other revenues of the reuse
 41 authority, including lease rental revenues.

42 (C) Make payments on leases payable solely or in part from
 43 allocated tax proceeds in that allocation area.

44 (D) Reimburse any other governmental body for expenditures
 45 made for local public improvements (or structures) in or
 46 directly serving or benefiting that allocation area.

(E) Pay all or a part of a property tax replacement credit to taxpayers in an allocation area as determined by the reuse authority. This credit equals the amount determined under the following STEPS for each taxpayer in a taxing district (as defined in IC 6-1.1-1-20) that contains all or part of the allocation area:

STEP ONE: Determine that part of the sum of the amounts under IC 6-1.1-21-2(g)(1)(A), IC 6-1.1-21-2(g)(2), IC 6-1.1-21-2(g)(3), IC 6-1.1-21-2(g)(4), and IC 6-1.1-21-2(g)(5) that is attributable to the taxing district.

STEP TWO: Divide:

(i) that part of each county's eligible property tax replacement amount (as defined in IC 6-1.1-21-2) for that year as determined under IC 6-1.1-21-4 that is attributable to the taxing district; by

(ii) the STEP ONE sum.

STEP THREE: Multiply:

(i) the STEP TWO quotient; times

(ii) the total amount of the taxpayer's taxes (as defined in IC 6-1.1-21-2) levied in the taxing district that have been allocated during that year to an allocation fund under this section.

If not all the taxpayers in an allocation area receive the credit in full, each taxpayer in the allocation area is entitled to receive the same proportion of the credit. A taxpayer may not receive a credit under this section and a credit under section 27 of this chapter in the same year.

~~(F)~~ (E) Pay expenses incurred by the reuse authority for local public improvements or structures that were in the allocation area or directly serving or benefiting the allocation area.

~~(G)~~ (F) Reimburse public and private entities for expenses incurred in training employees of industrial facilities that are located:

(i) in the allocation area; and

(ii) on a parcel of real property that has been classified as industrial property under the rules of the department of local government finance.

However, the total amount of money spent for this purpose in any year may not exceed the total amount of money in the allocation fund that is attributable to property taxes paid by the industrial facilities described in this clause. The reimbursements under this clause must be made not more than three (3) years after the date on which the investments that are the basis for the increment financing are made.

The allocation fund may not be used for operating expenses of the reuse authority.

(3) Except as provided in subsection (g), before July 15 of each year the reuse authority shall do the following:

(A) Determine the amount, if any, by which property taxes payable to the allocation fund in the following year will exceed the amount of property taxes necessary to make, when due, principal and interest payments on bonds described in subdivision (2) plus the amount necessary for other purposes described in subdivision (2).

(B) Notify the county auditor of the amount, if any, of the amount of excess property taxes that the reuse authority has determined may be paid to the respective taxing units in the manner prescribed in subdivision (1). The reuse authority may not authorize a payment to the respective taxing units under this subdivision if to do so would endanger the interest of the holders of bonds described in subdivision (2) or lessors under section 19 of this chapter. ~~Property taxes received by a taxing unit under this subdivision are eligible for the property tax replacement credit provided under IC 6-1.1-21.~~

(c) For the purpose of allocating taxes levied by or for any taxing unit or units, the assessed value of taxable property in a territory in the allocation area that is annexed by a taxing unit after the effective date of the allocation provision of the declaratory resolution is the lesser of:

- (1) the assessed value of the property for the assessment date with respect to which the allocation and distribution is made; or
- (2) the base assessed value.

(d) Property tax proceeds allocable to the military base reuse district under subsection (b)(2) may, subject to subsection (b)(3), be irrevocably pledged by the military base reuse district for payment as set forth in subsection (b)(2).

(e) Notwithstanding any other law, each assessor shall, upon petition of the reuse authority, reassess the taxable property situated upon or in or added to the allocation area, effective on the next assessment date after the petition.

(f) Notwithstanding any other law, the assessed value of all taxable property in the allocation area, for purposes of tax limitation, property tax replacement, and the making of the budget, tax rate, and tax levy for each political subdivision in which the property is located is the lesser of:

- (1) the assessed value of the property as valued without regard to this section; or
- (2) the base assessed value.

(g) If any part of the allocation area is located in an enterprise zone created under IC 5-28-15, the unit that designated the allocation area shall create funds as specified in this subsection. A unit that has obligations, bonds, or leases payable from allocated tax proceeds under subsection (b)(2) shall establish an allocation fund for the purposes

specified in subsection (b)(2) and a special zone fund. Such a unit shall, until the end of the enterprise zone phase out period, deposit each year in the special zone fund any amount in the allocation fund derived from property tax proceeds in excess of those described in subsection (b)(1) from property located in the enterprise zone that exceeds the amount sufficient for the purposes specified in subsection (b)(2) for the year. The amount sufficient for purposes specified in subsection (b)(2) for the year shall be determined based on the pro rata part of such current property tax proceeds from the part of the enterprise zone that is within the allocation area as compared to all such current property tax proceeds derived from the allocation area. A unit that does not have obligations, bonds, or leases payable from allocated tax proceeds under subsection (b)(2) shall establish a special zone fund and deposit all the property tax proceeds in excess of those described in subsection (b)(1) that are derived from property in the enterprise zone in the fund. The unit that creates the special zone fund shall use the fund (based on the recommendations of the urban enterprise association) for programs in job training, job enrichment, and basic skill development that are designed to benefit residents and employers in the enterprise zone or other purposes specified in subsection (b)(2), except that where reference is made in subsection (b)(2) to allocation area it shall refer for purposes of payments from the special zone fund only to that part of the allocation area that is also located in the enterprise zone. The programs shall reserve at least one-half (1/2) of their enrollment in any session for residents of the enterprise zone.

(h) After each general reassessment under IC 6-1.1-4, the department of local government finance shall adjust the base assessed value one (1) time to neutralize any effect of the general reassessment on the property tax proceeds allocated to the military base reuse district under this section. After each annual adjustment under IC 6-1.1-4-4.5, the department of local government finance shall adjust the base assessed value to neutralize any effect of the annual adjustment on the property tax proceeds allocated to the military base reuse district under this section. However, the adjustments under this subsection may not include the effect of property tax abatements under IC 6-1.1-12.1, and these adjustments may not produce less property tax proceeds allocable to the military base reuse district under subsection (b)(2) than would otherwise have been received if the general reassessment or annual adjustment had not occurred. The department of local government finance may prescribe procedures for county and township officials to follow to assist the department in making the adjustments."

Page 242, between lines 5 and 6, begin a new paragraph and insert:
 "SECTION 499. IC 36-7-30.5-30, AS AMENDED BY P.L.154-2006, SECTION 80, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 30. (a) The following definitions apply throughout this section:

(1) "Allocation area" means that part of a military base development area to which an allocation provision of a declaratory resolution adopted under section 16 of this chapter refers for purposes of distribution and allocation of property taxes.

(2) "Base assessed value" means:

(A) the net assessed value of all the property as finally determined for the assessment date immediately preceding the adoption date of the allocation provision of the declaratory resolution, as adjusted under subsection (h); plus

(B) to the extent that it is not included in clause (A) or (C), the net assessed value of any and all parcels or classes of parcels identified as part of the base assessed value in the declaratory resolution or an amendment to the declaratory resolution, as finally determined for any subsequent assessment date; plus

(C) to the extent that it is not included in clause (A) or (B), the net assessed value of property that is assessed as residential property under the rules of the department of local government finance, as finally determined for any assessment date after the effective date of the allocation provision.

(3) "Property taxes" means taxes imposed under IC 6-1.1 on real property.

(b) A declaratory resolution adopted under section 16 of this chapter before the date set forth in IC 36-7-14-39(b) pertaining to declaratory resolutions adopted under IC 36-7-14-15 may include a provision with respect to the allocation and distribution of property taxes for the purposes and in the manner provided in this section. A declaratory resolution previously adopted may include an allocation provision by the amendment of that declaratory resolution in accordance with the procedures set forth in section 18 of this chapter. The allocation provision may apply to all or part of the military base development area. The allocation provision must require that any property taxes subsequently levied by or for the benefit of any public body entitled to a distribution of property taxes on taxable property in the allocation area be allocated and distributed as follows:

(1) Except as otherwise provided in this section, the proceeds of the taxes attributable to the lesser of:

(A) the assessed value of the property for the assessment date with respect to which the allocation and distribution is made; or

(B) the base assessed value;

shall be allocated to and, when collected, paid into the funds of the respective taxing units.

(2) Except as otherwise provided in this section, property tax proceeds in excess of those described in subdivision (1) shall be allocated to the development authority and, when collected, paid into an allocation fund for that allocation area that may be used by

the development authority and only to do one (1) or more of the following:

(A) Pay the principal of and interest and redemption premium on any obligations incurred by the development authority or any other entity for the purpose of financing or refinancing military base development or reuse activities in or directly serving or benefitting that allocation area.

(B) Establish, augment, or restore the debt service reserve for bonds payable solely or in part from allocated tax proceeds in that allocation area or from other revenues of the development authority, including lease rental revenues.

(C) Make payments on leases payable solely or in part from allocated tax proceeds in that allocation area.

(D) Reimburse any other governmental body for expenditures made for local public improvements (or structures) in or directly serving or benefitting that allocation area.

(E) Pay all or a part of a property tax replacement credit to taxpayers in an allocation area as determined by the development authority. This credit equals the amount determined under the following STEPS for each taxpayer in a taxing district (as defined in IC 6-1.1-1-20) that contains all or part of the allocation area:

STEP ONE: Determine that part of the sum of the amounts under IC 6-1.1-21-2(g)(1)(A); IC 6-1.1-21-2(g)(2); IC 6-1.1-21-2(g)(3); IC 6-1.1-21-2(g)(4); and IC 6-1.1-21-2(g)(5) that is attributable to the taxing district.

STEP TWO: Divide:

(i) that part of each county's eligible property tax replacement amount (as defined in IC 6-1.1-21-2) for that year as determined under IC 6-1.1-21-4 that is attributable to the taxing district; by

(ii) the STEP ONE sum.

STEP THREE: Multiply:

(i) the STEP TWO quotient; by

(ii) the total amount of the taxpayer's taxes (as defined in IC 6-1.1-21-2) levied in the taxing district that have been allocated during that year to an allocation fund under this section.

If not all the taxpayers in an allocation area receive the credit in full, each taxpayer in the allocation area is entitled to receive the same proportion of the credit. A taxpayer may not receive a credit under this section and a credit under section 32 of this chapter in the same year.

(F) (E) Pay expenses incurred by the development authority for local public improvements or structures that were in the allocation area or directly serving or benefitting the allocation

1 area.
 2 ~~(G)~~ (F) Reimburse public and private entities for expenses
 3 incurred in training employees of industrial facilities that are
 4 located:

- 5 (i) in the allocation area; and
- 6 (ii) on a parcel of real property that has been classified as
 7 industrial property under the rules of the department of local
 8 government finance.

9 However, the total amount of money spent for this purpose in
 10 any year may not exceed the total amount of money in the
 11 allocation fund that is attributable to property taxes paid by the
 12 industrial facilities described in this clause. The
 13 reimbursements under this clause must be made not more than
 14 three (3) years after the date on which the investments that are
 15 the basis for the increment financing are made.

16 The allocation fund may not be used for operating expenses of the
 17 development authority.

18 (3) Except as provided in subsection (g), before July 15 of each
 19 year the development authority shall do the following:

20 (A) Determine the amount, if any, by which property taxes
 21 payable to the allocation fund in the following year will exceed
 22 the amount of property taxes necessary to make, when due,
 23 principal and interest payments on bonds described in
 24 subdivision (2) plus the amount necessary for other purposes
 25 described in subdivision (2).

26 (B) Notify the appropriate county auditor of the amount, if any,
 27 of the amount of excess property taxes that the development
 28 authority has determined may be paid to the respective taxing
 29 units in the manner prescribed in subdivision (1). The
 30 development authority may not authorize a payment to the
 31 respective taxing units under this subdivision if to do so would
 32 endanger the interest of the holders of bonds described in
 33 subdivision (2) or lessors under section 24 of this chapter.
 34 ~~Property taxes received by a taxing unit under this subdivision~~
 35 ~~are eligible for the property tax replacement credit provided~~
 36 ~~under IC 6-1.1-21.~~

37 (c) For the purpose of allocating taxes levied by or for any taxing
 38 unit or units, the assessed value of taxable property in a territory in the
 39 allocation area that is annexed by a taxing unit after the effective date
 40 of the allocation provision of the declaratory resolution is the lesser of:

- 41 (1) the assessed value of the property for the assessment date with
 42 respect to which the allocation and distribution is made; or
- 43 (2) the base assessed value.

44 (d) Property tax proceeds allocable to the military base development
 45 district under subsection (b)(2) may, subject to subsection (b)(3), be
 46 irrevocably pledged by the military base development district for

1 payment as set forth in subsection (b)(2).

2 (e) Notwithstanding any other law, each assessor shall, upon
3 petition of the development authority, reassess the taxable property
4 situated upon or in or added to the allocation area, effective on the next
5 assessment date after the petition.

6 (f) Notwithstanding any other law, the assessed value of all taxable
7 property in the allocation area, for purposes of tax limitation, property
8 tax replacement, and the making of the budget, tax rate, and tax levy
9 for each political subdivision in which the property is located is the
10 lesser of:

11 (1) the assessed value of the property as valued without regard to
12 this section; or

13 (2) the base assessed value.

14 (g) If any part of the allocation area is located in an enterprise zone
15 created under IC 5-28-15, the development authority shall create funds
16 as specified in this subsection. A development authority that has
17 obligations, bonds, or leases payable from allocated tax proceeds under
18 subsection (b)(2) shall establish an allocation fund for the purposes
19 specified in subsection (b)(2) and a special zone fund. The
20 development authority shall, until the end of the enterprise zone phase
21 out period, deposit each year in the special zone fund any amount in the
22 allocation fund derived from property tax proceeds in excess of those
23 described in subsection (b)(1) from property located in the enterprise
24 zone that exceeds the amount sufficient for the purposes specified in
25 subsection (b)(2) for the year. The amount sufficient for purposes
26 specified in subsection (b)(2) for the year shall be determined based on
27 the pro rata part of such current property tax proceeds from the part of
28 the enterprise zone that is within the allocation area as compared to all
29 such current property tax proceeds derived from the allocation area. A
30 development authority that does not have obligations, bonds, or leases
31 payable from allocated tax proceeds under subsection (b)(2) shall
32 establish a special zone fund and deposit all the property tax proceeds
33 in excess of those described in subsection (b)(1) that are derived from
34 property in the enterprise zone in the fund. The development authority
35 that creates the special zone fund shall use the fund (based on the
36 recommendations of the urban enterprise association) for programs in
37 job training, job enrichment, and basic skill development that are
38 designed to benefit residents and employers in the enterprise zone or
39 for other purposes specified in subsection (b)(2), except that where
40 reference is made in subsection (b)(2) to an allocation area it shall refer
41 for purposes of payments from the special zone fund only to that part
42 of the allocation area that is also located in the enterprise zone. The
43 programs shall reserve at least one-half (1/2) of their enrollment in any
44 session for residents of the enterprise zone.

45 (h) After each general reassessment under IC 6-1.1-4, the
46 department of local government finance shall adjust the base assessed

value one (1) time to neutralize any effect of the general reassessment on the property tax proceeds allocated to the military base development district under this section. After each annual adjustment under IC 6-1.1-4-4.5, the department of local government finance shall adjust the base assessed value to neutralize any effect of the annual adjustment on the property tax proceeds allocated to the military base development district under this section. However, the adjustments under this subsection may not include the effect of property tax abatements under IC 6-1.1-12.1, and these adjustments may not produce less property tax proceeds allocable to the military base development district under subsection (b)(2) than would otherwise have been received if the general reassessment or annual adjustment had not occurred. The department of local government finance may prescribe procedures for county and township officials to follow to assist the department in making the adjustments."

Page 243, between lines 21 and 22, begin a new paragraph and insert:

"SECTION 501. IC 36-8-15-19, AS AMENDED BY P.L.148-2007, SECTION 9, AND P.L.195-2007, SECTION 10, AND AS AMENDED BY P.L.224-2007, SECTION 131, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 19.

(a) This subsection applies to a county ~~not having a consolidated city that has a population of more than one hundred eighty-two thousand seven hundred ninety (182,790) but less than two hundred thousand (200,000)~~. For the purpose of raising money to fund the operation of the district, the county fiscal body may impose, for property taxes first due and payable during each year after the adoption of an ordinance establishing the district, an ad valorem property tax levy on property within the district. The property tax rate for that levy may not exceed five cents (\$0.05) on each one hundred dollars (\$100) of assessed valuation.

(b) This subsection applies to a county having a consolidated city. The county fiscal body may elect to fund the operation of the district from part of the certified distribution, if any, that the county is to receive during a particular calendar year under IC 6-3.5-6-17. To make such an election, the county fiscal body must adopt an ordinance before September 1 of the immediately preceding calendar year. The county fiscal body must specify in the ordinance the amount of the certified distribution that is to be used to fund the operation of the district. If the county fiscal body adopts such an ordinance, it shall immediately send a copy of the ordinance to the county auditor.

(c) Subject to subsections (d), (e), and (f), if an ordinance or resolution is adopted changing the territory covered by the district or the number of public agencies served by the district, the local government tax control board (*before January 1, 2009*) or the county board of tax and capital projects review (*after December 31, 2008*)

1 shall, for property taxes first due and payable during the year after the
 2 adoption of the ordinance, adjust the maximum permissible ad valorem
 3 property tax levy limits of the district and the units participating in the
 4 district.

5 (d) If a unit by ordinance or resolution joins the district or elects to
 6 have its public safety agencies served by the district, the local
 7 government tax control board (*before January 1, 2009*) or the county
 8 board of tax and capital projects review (*after December 31, 2008*)
 9 shall reduce the ~~maximum permissible ad valorem property tax levy~~
 10 **property tax limit** of the unit for property taxes first due and payable
 11 during the year after the adoption of the ordinance or resolution. The
 12 reduction shall be based on the amount budgeted by the unit for public
 13 safety communication services in the year in which the ordinance was
 14 adopted. If such an ordinance or resolution is adopted, the district shall
 15 refer its proposed budget, ad valorem property tax levy, and property
 16 tax rate for the following year to the board, which shall review and set
 17 the budget, levy, and rate. ~~as though the district were covered by~~
 18 ~~IC 6-1.1-18.5-7.~~

19 (e) If a unit by ordinance or resolution withdraws from the district
 20 or rescinds its election to have its public safety agencies served by the
 21 district, the local government tax control board (*before January 1,*
 22 *2009*) or the county board of tax and capital projects review (*after*
 23 *December 31, 2008*) shall reduce the ~~maximum permissible ad valorem~~
 24 ~~property tax levy~~ **property tax limit** of the district for property taxes
 25 first due and payable during the year after the adoption of the ordinance
 26 or resolution. The reduction shall be based on the amounts being levied
 27 by the district within that unit. If such an ordinance or resolution is
 28 adopted, the unit shall refer its proposed budget, ad valorem property
 29 tax levy, and property tax rate for public safety communication services
 30 to the board, which shall review and set the budget, levy, and rate. ~~as~~
 31 ~~though the unit were covered by IC 6-1.1-18.5-7.~~

32 (f) The adjustments provided for in subsections (c), (d), and (e) do
 33 not apply to a district or unit located in a particular county if the county
 34 fiscal body of that county does not impose an ad valorem property tax
 35 levy under subsection (a) to fund the operation of the district.

36 (g) *A county that has adopted an ordinance under section 1(3) of*
 37 *this chapter may not impose an ad valorem property tax levy on*
 38 *property within the district to fund the operation or implementation of*
 39 *the district."*

40 Page 244, between lines 2 and 3, begin a new paragraph and insert:
 41 "SECTION 503. IC 36-12-12-9, AS ADDED BY P.L.1-2005,
 42 SECTION 49, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 43 JANUARY 1, 2009]: Sec. 9. (a) A library board may amend an adopted
 44 and approved plan to:

45 (1) provide money for the purposes described in section 2(b)(4)
 46 of this chapter; or

(2) supplement money accumulated in the capital projects fund for those purposes.

(b) If an emergency arises that results in costs that exceed the amount accumulated in the fund for the purposes described in section 2(b)(4) of this chapter, the library board must immediately apply to the department of local government finance for a determination that an emergency exists. If the department of local government finance determines that an emergency exists, the library board may adopt a resolution to amend the plan. The amendment is not subject to the deadline and the procedures for adoption described in section 3 of this chapter. However, the amendment is subject to modification by the department of local government finance.

(c) An amendment adopted under this section may require the payment of eligible emergency costs from:

(1) money accumulated in the capital projects fund for other purposes; or

(2) money to be borrowed from other funds of the library board or from a financial institution.

The amendment may also provide for an increase in the property tax rate for the capital projects fund to restore money to the fund or to pay principal and interest on a loan. However, before the property tax rate for the fund may be increased, the library board must submit and obtain the approval of the appropriate fiscal body or bodies, as provided in section 4 of this chapter. An increase to the property tax rate for the capital projects fund is effective for property taxes first due and payable for the year next certified by the department of local government finance under IC 6-1.1-17-16: **budget year for which tax levies are approved by the county board of tax and capital projects review.** However, the property tax rate may not exceed the maximum rate established under section 10 of this chapter."

Page 244, line 4, after "(RETROACTIVE)]:" insert "IC 6-1.1-21.2-1;".

Page 244, line 8, after "IC 6-3.5-6-32" delete "." and insert "; IC 6-3.5-8; IC 12-7-2-117; IC 12-19-1-11; IC 12-19-1-12; IC 12-19-6; IC 31-34-8-5."

Page 244, line 10, after "IC 6-1.1-29.5-14" delete "." and insert "IC 31-26-3; IC 31-34-8-8; IC 31-34-8-9; IC 31-34-24; IC 31-37-9-9; IC 31-37-9-10; IC 31-37-24."

Page 244, line 13, after "IC 4-35-8-4;" insert "IC 5-22-4-9;".

Page 244, line 15, after "IC 6-1.1-17-13" delete "," and insert ";".

Page 244, line 16, after "IC 6-1.1-17-16;" insert "IC 6-1.1-17-17; IC 6-1.1-17-19;".

Page 244, line 16, after "IC 6-1.1-18-2;" insert "IC 6-1.1-18-3; IC 6-1.1-18-6.5; IC 6-1.1-18-10; IC 6-1.1-18-11;".

Page 244, line 17, delete "IC 6-1.1-19-3; IC 6-1.1-19-4.1; IC 6-1.1-19-7;".

- 1 Page 244, line 18, after "IC 6-1.1-21.7;" insert "IC 6-1.1-29-1;
2 IC 6-1.1-29-5;".
- 3 Page 244, line 19, after "IC 6-3.5-7-25.5;" insert "IC 8-22-3.5-10;
4 IC 8-22-3.5-12;".
- 5 Page 244, line 20, delete "IC 12-13-9;" and insert "IC 12-19-1.5;".
- 6 Page 244, line 21, delete "IC 16-35-4; IC 16-35-5;" and insert "IC
7 20-18-2-21.5; IC 20-24-7-12;".
- 8 Page 244, line 22, after "IC 20-40-6-3;" insert "IC 20-40-8-1;
9 IC 20-43-1-5; IC 20-43-3-5; IC 20-43-3-6; IC 20-43-6-6; IC 20-44-3;
10 IC 20-45-1-3; IC 20-45-1-4; IC 20-45-1-7; IC 20-45-1-8; IC 20-45-1-9;
11 IC 20-45-1-10; IC 20-45-1-11; IC 20-45-1-13; IC 20-45-1-15;
12 IC 20-45-1-16; IC 20-45-1-17; IC 20-45-1-18; IC 20-45-1-20;
13 IC 20-45-1-22; IC 20-45-2;".
- 14 Page 244, line 23, after "IC 20-46-4;" insert "IC 31-19-26;
15 IC 31-25-2-17; IC 31-33-4-4;".
- 16 Page 244, line 23, after "IC 36-6-5" delete "." and insert "
17 IC 36-7-14-39.5; IC 36-7-15.1-26.5; IC 36-7-15.1-26.7;
18 IC 36-7-15.1-26.9; IC 36-7-15.1-56; IC 36-7-30-27; IC 36-7-30.5-32.".
- 19 Page 244, line 25, after "[EFFECTIVE JULY 1, 2009]:" insert "IC
20 6-1.1-18.5-4; IC 6-1.1-18.5-4.5; IC 6-1.1-18.5-5; IC 6-1.1-18.5-6;
21 IC 6-1.1-18.5-7; IC 6-1.1-18.5-9; IC 6-1.1-18.5-9.5; IC 6-1.1-18.5-9.7;
22 IC 6-1.1-18.5-9.9; IC 6-1.1-18.5-10; IC 6-1.1-18.5-10.1;
23 IC 6-1.1-18.5-10.2; IC 6-1.1-18.5-10.3; IC 6-1.1-18.5-10.4;
24 IC 6-1.1-18.5-10.5; IC 6-1.1-18.5-11;".
- 25 Page 244, line 25, after "IC 6-1.1-18.5-13;" insert "IC
26 6-1.1-18.5-13.5; IC 6-1.1-18.5-13.6;".
- 27 Page 244, line 26, after "IC 6-1.1-18.5-16" delete "." and insert "
28 IC 6-1.1-18.5-18; IC 6-1.1-18.5-19; IC 6-1.1-18.5-19.1;
29 IC 6-1.1-18.5-20; IC 6-1.1-18.5-21; IC 6-1.1-19; IC 12-13-9;
30 IC 16-35-4; IC 16-35-5.".
- 31 Page 245, between lines 12 and 13, begin a new paragraph and
32 insert:
- 33 **"(e) The department of local government finance shall adjust the**
34 **maximum permissible ad valorem tax levy imposed for the March**
35 **1, 2008, and January 15, 2009, assessment dates of each county and**
36 **township to reflect any transfer of duties between assessors under**
37 **this act."**
- 38 Page 245, line 13, delete "(e)" and insert "(f)".
- 39 Page 245, line 14, delete "(a) The" and insert **"(a) On January 1,**
40 **2009, the duties of the department of local government finance, the**
41 **school property tax control board, and the local government tax**
42 **control board:**
- 43 **(1) concerning:**
- 44 **(A) budgets of a political subdivision in a county for a**
45 **budgetary year after December 31, 2008; or**
46 **(B) property tax rates and property tax levies imposed by**

1 a political subdivision in a county for an assessment date
2 after January 15, 2009;

3 including duties to conduct a hearing or hear an appeal; and
4 (2) concerning review and approval of proposals to engage in
5 a capital project, issue bonds, or enter into leases after June
6 30, 2008;

7 are transferred to the county board of tax and capital projects
8 review for the county. Except as provided in this SECTION, any
9 statute in conflict with this subsection that grants a power to or
10 imposes a duty on the department of local government finance, the
11 school property tax control board, or the local government tax
12 control board shall be treated after June 30, 2008, as a grant of
13 power to or an imposition of a duty on the county board of tax and
14 capital projects review. If there is a conflict with the manner in
15 which a statute requires the department of local government
16 finance, the school property tax control board, or the local
17 government tax control board to exercise a power or duty under
18 IC 6-1.1-17, IC 6-1.1-18, IC 6-1.1-18.5, IC 6-1.1-20, IC 6-1.1-29, or
19 IC 6-1.1-29.5, the power or duty shall be exercised in conformity
20 with IC 6-1.1-17, IC 6-1.1-18, IC 6-1.1-18.5, IC 6-1.1-20,
21 IC 6-1.1-29, or IC 6-1.1-29.5.

22 (b) Notwithstanding the repeal of IC 6-1.1-17-16 by this act, the
23 department of local government finance shall certify budgets for
24 calendar year 2009 and tax rates and tax levies that are imposed
25 for the March 1, 2008, and January 15, 2009, assessment dates in
26 accordance with IC 6-1.1-17-16 (as effective December 31, 2008).
27 The budgets, tax rates, and tax levies certified under this
28 SECTION are the budgets that political subdivisions are permitted
29 to spend in calendar year 2009 and the tax rates and tax levies that
30 may be imposed for the March 1, 2008, and January 15, 2009,
31 assessment dates. Any supplemental budget for calendar year 2009
32 must be approved in accordance with IC 6-1.1-18-5, as amended by
33 this act.

34 (c) The tax limits imposed under IC 6-1.1-18.5, IC 6-1.1-19,
35 IC 20-45, and IC 20-46, as effective before January 1, 2009, apply
36 to property taxes imposed for an assessment date before January
37 16, 2009. The tax limits in IC 6-1.1-18.5, as amended by this act,
38 apply to property taxes imposed for an assessment date after
39 January 15, 2009. For assessment dates after January 15, 2009, any
40 law permitting an appeal to the department of local government
41 finance, the school property tax control board, or the local
42 government tax control board to increase a property tax rate or
43 levy for an assessment date after January 15, 2009, in excess of a
44 statutory maximum permissible levy limitation or a statutory
45 property tax rate limit is void. A law outside IC 6-1.1-18.5, as
46 amended by this act, that exempts a property tax levy or property
47 tax rate from the levy limits in IC 6-1.1-18.5 is void to the extent

1 that it conflicts with IC 6-1.1-18.5, as amended by this act.

2 (d) The".

3 Page 245, line 18, delete "(b)" and insert "(e)".

4 Page 245, line 29, after "(b)" insert "IC 6-1.1-20-3.1, as amended
5 by this act, and".

6 Page 245, line 29, delete "applies" and insert "apply".

7 Page 245, between lines 32 and 33, begin a new paragraph and
8 insert:

9 "(d) A reference to IC 20-43-3 in any law or rule shall be treated
10 after December 31, 2008, as a reference to IC 6-1.1-18.5-17, as
11 amended by this act.

12 (e) A school corporation may not impose a tuition support levy,
13 an excessive levy for the school corporation's general fund, or a
14 levy for the school corporation's transportation fund after
15 December 31, 2008. After December 31, 2008, a reference in any
16 law to any of these levies, including a reference to a tuition support
17 levy by citation to IC 20-45 or IC 20-46-4, shall be treated as a
18 reference to the state tuition support distribution for the school
19 corporation under IC 20-43.

20 (f) A law restricting use of money in a fund to a particular
21 purpose is void to the extent that it conflicts with the powers to
22 transfer money between funds granted by IC 6-1.1-18-6, as
23 amended by this act.

24 (g) A law providing that a property tax levy or special benefits
25 tax is not subject to property tax levy limits or property tax rate
26 limits imposed by law is void to the extent that it conflicts with
27 IC 6-1.1-18.5, as amended by this act.

28 (h) A law limiting the amount that may be appropriated or
29 levied for a particular fund or purpose is void to the extent that it
30 conflicts with IC 6-1.1-18.5, as amended by this act.

31 (i) Notwithstanding the repeal of IC 6-1.1-20.9 by this act, a
32 provision in IC 6-3.5 that refers to a credit as an additional
33 homestead credit, an increased homestead credit, or a credit for
34 property that is eligible for a homestead credit under IC 6-1.1-20.9
35 (repealed by this act), shall be treated after December 31, 2008, as
36 continuing to permit a grant of a homestead credit against the
37 property tax liability imposed on property that is eligible for a
38 standard deduction under IC 6-1.1-12-37. The credit shall be
39 calculated in the same manner as the credits were calculated before
40 January 1, 2009.

41 (j) Notwithstanding the repeal of IC 6-1.1-21 by this act, a
42 provision in IC 6-3.5 that refers to a credit as an additional
43 property tax replacement credit or an increased property tax
44 replacement credit shall be treated after December 31, 2008, as
45 continuing to permit the grant of a property tax replacement credit
46 against property tax liability. The credit shall be calculated in the
47 same manner as the credits were calculated before January 1,

1 **2009.**

2 **(k) Notwithstanding any other law, a law granting an additional**
 3 **credit reducing property tax liability in an allocation area (as**
 4 **defined in IC 6-1.1-21.2-3) is void.**

5 **SECTION 513. [EFFECTIVE JANUARY 1, 2009] (a) A county**
 6 **auditor shall transfer:**

7 **(1) the unencumbered balance on December 31, 2008, of the**
 8 **county's county family and children's fund; and**

9 **(2) any delinquent property tax payments and other amounts**
 10 **that would have been deposited after December 31, 2008, in**
 11 **the county's county family and children's fund;**

12 **to the auditor of state for deposit in the state family and children's**
 13 **fund. However, the department of child services and the county**
 14 **executive may enter into an agreement concerning the amount to**
 15 **be transferred to the auditor of state if an amount needs to be**
 16 **retained by the county to pay a county obligation for the costs of**
 17 **child services (as defined in IC 12-19-7-1 (repealed by this act))**
 18 **delivered before January 1, 2009. A transfer of funds under this**
 19 **subsection shall be made on the schedule determined by the**
 20 **department of child services.**

21 **(b) A county auditor shall transfer:**

22 **(1) the unencumbered balance on December 31, 2008, of the**
 23 **county's children's psychiatric residential treatment services**
 24 **fund; and**

25 **(2) any delinquent property tax payments and other amounts**
 26 **that would have been deposited after December 31, 2008, in**
 27 **the county's children's psychiatric residential treatment**
 28 **services fund;**

29 **to the auditor of state for deposit in the Medicaid contingency and**
 30 **reserve account of the state general fund. However, the division of**
 31 **family resources and the county executive may enter into an**
 32 **agreement concerning the amount to be transferred to the auditor**
 33 **of state if an amount needs to be retained by the county to pay a**
 34 **county obligation for the costs of children's psychiatric residential**
 35 **treatment services (as defined in IC 12-19-7.5-1 (repealed by this**
 36 **act)) delivered before January 1, 2009. A transfer of funds under**
 37 **this subsection shall be made on the schedule determined by the**
 38 **division of family resources.**

39 **(c) Notwithstanding the repeal of IC 12-19-5, IC 12-19-7, and**
 40 **IC 12-19-7.5 by this act, a county's obligation to pay for child**
 41 **services (as defined in IC 12-19-7-1 (repealed)) or children's**
 42 **psychiatric residential treatment services (as defined in**
 43 **IC 12-19-7.5-1 (repealed)) provided before January 1, 2009, is not**
 44 **terminated. A county's obligation to levy property taxes to pay**
 45 **principal, interest, and other costs of a loan that were entered into**
 46 **or could have been entered into or bonds that were issued or could**
 47 **have been issued under IC 12-19-5, IC 12-19-7, or IC 12-19-7.5**

1 (before their repeal) to meet these obligations is transferred to the
2 county's debt service fund.

3 (d) Notwithstanding the repeal of IC 12-13-8 by this act:

4 (1) the unencumbered balance on December 31, 2008, of the
5 county's county medical assistance to wards fund; and

6 (2) any delinquent property tax payments and other amounts
7 that would have been deposited after December 31, 2008, in
8 the county's county medical assistance to wards fund;

9 shall be transferred by a county auditor to the state after
10 December 31, 2008, in the manner provided in IC 12-13-9-1 (before
11 its repeal by this act). The amount transferred under this
12 subsection shall be deposited for use by the division of family
13 resources to defray the expenses and obligations incurred by the
14 division of family resources for medical assistance to wards and
15 associated administrative costs.

16 (e) A county and any combination of:

17 (1) the division of family resources; and

18 (2) the department of child services;

19 may enter into agreements to resolve any issues arising under this
20 act concerning payments to vendors, payments to the county,
21 payments to the state, collection of amounts due to a county or the
22 state from a parent, guardian, or custodian, and other matters
23 affected by this act. Notwithstanding the amendment of IC 31-40
24 by this act, the agreement, if approved by the governor and the
25 county fiscal body, governs the responsibilities of the state and the
26 county.

27 (f) An allocation of tax incentive revenues that are lost to a
28 special fund as a result of property taxes terminated by this act
29 may be replaced in the same manner as tax increment revenues are
30 replaced under IC 6-1.1-21.2. However, the lost revenue may be
31 replaced only to the extent that the district has insufficient revenue
32 to pay bonds, notes, other evidences of indebtedness, or leases
33 issued or entered into before April 1, 2008. After March 31, 2008,
34 property taxes or allocations from property taxes terminated by
35 this act may not be pledged to the payment of bonds, notes, other
36 evidences of indebtedness, or leases for any year after December
37 31, 2008.

38 (g) After December 31, 2008, a reference in any court order or
39 other document to:

40 (1) the county office of family and children, for purposes of:

41 (A) wardship, supervision, or services that are the
42 obligation of the department of child services under
43 IC 31-40-1-2, as amended by this act, shall be treated after
44 December 31, 2008, as a reference to the department of
45 child services; and

46 (B) services provided under IC 12, as amended by this act,
47 shall be treated as a reference to the division of family

- 1 resources; and
- 2 **(2) the county family and children's fund shall be treated after**
- 3 **December 31, 2008, as a reference to the state family and**
- 4 **children's fund.**
- 5 **(h) Money in a county family and children trust clearance fund**
- 6 **established under IC 12-19-1-16 (as effective December 31, 2008)**
- 7 **on December 31, 2008, that is required to be administered in a**
- 8 **child trust clearance account established by IC 31-25-2-20.2 shall**
- 9 **be transferred to the child trust clearance account.**
- 10 **(i) The unencumbered balance in the following funds, which are**
- 11 **repealed by this act, shall, on June 30, 2009, or any earlier date**
- 12 **determined by the budget agency, be transferred to the**
- 13 **appropriate account determined by the budget agency:**
- 14 **(1) State medical assistance to wards fund.**
- 15 **(2) Children with special health care needs state fund.**
- 16 **(3) Children with special health care needs federal fund."**
- 17 Renumber all SECTIONS consecutively.
(Reference is to HB 1001 as printed January 17, 2008.)

Representative Crawford